

MILLARD'S REVIEW OF THE FAR EAST *Published Weekly*

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China's Present Danger

Order vs. Anarchy

Reflections on the American Note

How Can America
Help China?

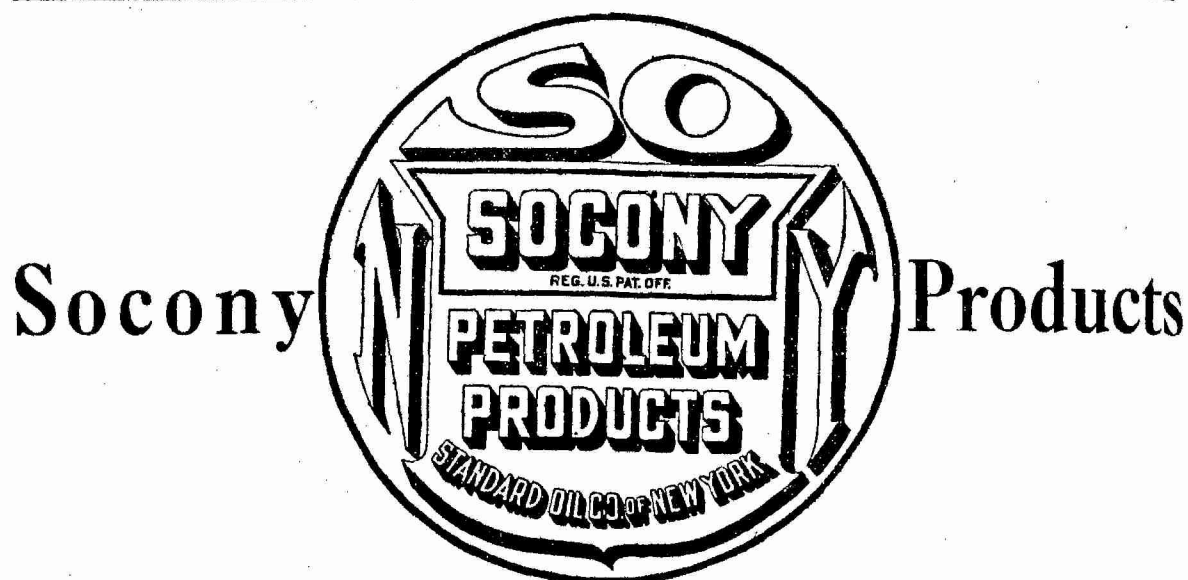
By C. T. Wang

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POLITICAL portents in China are ominous. This no longer can or ought to be glossed over; and the time is opportune to bring the disturbing elements into view as clearly as is possible with the purpose of trying to avoid disaster. First, it should be recognized that this present political dissension differs from previous ones which bore all the outward marks of similarity. We who have lived in China during recent times have become accustomed to the clamors of Chinese internal politics, so that we are rather apt to take too philosophic a view of them, and to think that they somehow will straighten themselves out if let alone. There is much in past events to bear out this assumption, for the Chinese have a truly remarkable way of getting themselves into a seemingly hopeless political tangle, then suddenly emerging from it by means of a (to foreigners) almost cryptic adjustment. To take this complacent view of the present crisis is fallacious, because it synchronizes with a world war that has set forces into motion

which in many places are eating away at the foundations of civilized order. Therefore the question posed by China today, vis-a-vis those nations charged with the responsibility of preventing a collapse of international order, is not merely that of a vast, loose organism whose surface is agitated by vapors arising from within which will either be thrown off or re-absorbed without much affecting the whole mass or external bodies; but carries an imminent danger of communicating to the whole Eastern world those deleting elements which in time of unrest always attack the structure of government.

LOOKING back at events of the past few months, it is fairly clear that whatever shift has occurred in Chinese politics has been on the line of the augmentation of forces of disintegration, rather than forces of consolidation. The opposing factions have been getting farther and farther apart. For a moment it was hoped that the monarchical fiasco would unite the parties, but that hope was soon dashed. All that has come out of that incident has been a restoration of Tuan Chi Jui to power in the Peking Government. Other factors remain uncertain. Li Yuan Hung presents the spectacle of a President who won't act like a President, and who consequently turns the Government over to a Premier. This Premier is an able man, with sufficient experience to manage affairs; but he is opposed by a strong party---the Kuomintang---some of whose leaders, or assumed leaders, are without doubt trying to organize a rebellion. In this group are the members of the dissolved Parliament, or a majority of them. The liberals are divided among themselves into radicals and moderates. Sun Yet Sen, Tang Shao Yi and a few others assume leadership of the radicals, and want to secede from the Peking Government, with a new government established at another place. While Sun Yat Sen and Tang Shao Yi were in Shanghai,

Nanking was favored by them as the seat of a revolutionary government; but now that those men have gone to Canton, that always turbulent city is favored as the new capital. It is evident that these men are working along the North and South line of political demarcation. The moderate liberals do not favor splitting the country into two sections. They would be willing to adjust matters on a basis of allowing Tuan Chi Jui to control the Cabinet, but insist that the Parliament will be reassembled. The Vice President, Feng Kuo Chang, seems to sit on the fence, trying to decide which attitude to take, and apparently vacillating between them.

SUN Yat Sen has again cropped up as a seriously disturbing factor in Chinese politics. Some weeks ago, after failing to induce the Kuomintang leaders in Shanghai to adopt his proposal (at the time of Chang Hsun's coup) immediately to set up a Republic at Nanking in opposition to Chang, Dr. Sun went to Canton, where he hoped to meet a more favorable reception. At that time the moderates in the Kuomintang pointed out that with Li Yuan Hung out of office the need was not to establish a new Republic, but to continue the existing one (which is recognized by all foreign nations as constituting the Government of China) by installing the Vice President as head of the State. That was a logical and legally correct attitude to take; but the speedy collapse of the monarchy and the consequent restoration of Li Yuan Hung to the Presidency made such action unnecessary, and also would have deprived it of a legal position. Chinese news reports state that it is proposed to make Dr. Sun the President of a new Republic of China with a government at Canton. Well, that may be done. A dozen or less of politicians can get together in a room, elect Dr. Sun President and themselves to the principal offices, announce themselves to be a Government and telegraph the news over the world. If they can induce a few Generals and provincial Governors to fall in with them, it will be possible to make a showing of actuality. Many of those members of Parliament who come from central and south China are assembling in Canton, and they may set themselves up as being the Parliament of a new government, although by what reasoning a Parliament which claims to be legally a part of one government (that at Peking) can turn about and claim to be a part (without any election) of a new government, is difficult to understand. Either the Parliament is a part of the present Peking Government, or it is nothing at all.

BUT all members of the Parliament have not gone cluttering off to Canton in the trail of Sun Yat Sen and Tang Shao Yi. Some of them, those chiefly who come from other parts of China

than the South, have remained in Shanghai or have gone to their homes. The members remaining in Shanghai have sent a telegram to the American Congress and to the Duma and to the House of Commons in similar terms, as follows: "Democracy is again fighting for existence in China. For the second time since the establishment of the Chinese Republic, our Parliament has been illegally dissolved and an oligarchy, based on military force, set up in the Capital. We are fighting the same foe that you and the other democracies are fighting in Europe---the beast of Militarism. As a Nation determined to be governed as a democracy, we appeal to the American people and their Congress for support." While recognizing the eloquence and to some extent the justice of this appeal, the men who sent it ought to understand that in case the parliaments to whom it is addressed should desire to take action in response they will be forced to move through certain established channels. We have frequently written in favor of our own nation---the United States---trying to aid democracy in China; but we do not see just how this is feasible except by aiding some government of China. The American Congress hardly can be expected to vote to engage in the business of overturning a government in China that the United States has and does recognize as being legally constituted; and the same reasoning would apply to the Commons and the Duma. Sympathy in generalized form is one thing; concrete aid to democracy in China is another. A government of one democracy will encounter almost insurmountable obstacles in trying to aid another democracy as long as the democracy needing and asking the aid is unable to create something in the form of a government to be aided.

THUS the primary requisite for other democracies to aid democracy in China is something in the nature of a stable government here, or at least public order. A logical premise of this proposition is that, in case the Chinese democrats are themselves unable or fail to establish a stable government or to maintain public order, the first step which foreign aid would have to take would be to establish order in China. Cannot Chinese grasp this fundamental fact? Cannot the Chinese parliamentarians who composed that telegram to other parliaments see that, in political practice, they have invited a foreign intervention in China which probably would have to commence by restoring order in the country as an indispensable prelude to any constructive assistance? In all parts of this country we notice evidences of the crumbling of order. News comes every day now of mutinies here and there, and riots, always attended by violence and looting. From past experience we know the outgrowth and the outcome of these manifestations, if they are not checked. We further believe that, with world

conditions as they are, the Powers cannot afford to allow forces of disintegration and anarchy to proceed unchecked in China; and that they will not allow it.

IN examining this matter it is important to discover what influences, except Chinese, may be supporting the elements making for disintegration here. There are only two sources, that we can see, from which that kind of foreign aid might come—Germany and Japan. It can be assumed that Germans would think it to the general advantage of their nation in the war if a state of disorder can be caused in China, tending to split the country into sections (although such a theory is somewhat benighted). Dr. Sun Yat Sen and his followers and associates cannot progress far with their plans without money and other supplies—arms, munitions and what not. The funds that may be contributed by oversea Chinese will not finance a revolution. Germans in China, through their connections here, might conceivably supply the Chinese revolutionists with some money in ways hard to discover and to prevent; but Germans in China (there are no fluent means of communication with Germany) cannot deliver much in the way of supplies to anyone. They have few supplies, and such as they have can be supervised so that distribution and transfer of them will be difficult. This is a matter with which the allied association properly can busy itself, and wherein its interest lies with the present advantage of the existing Government of China. Chinese politicians who oppose the Tuan Government ought not to ignore this condition and its possible effects on some of their projects, and its possible influence on the democratic parliaments to whom they are appealing. If a China revolutionary movement gets associated, in fact or in suspicion, with German policy and intrigue, then it cannot hope to appeal successfully to the American and Russian and British democracies, or to retain their sympathy.

JAPAN has a different position vis-a-vis this question. I do not want to be understood as accusing, or as trying to infer, that Japan is fomenting or encouraging the present revolutionary movement in China. But certain matters cannot be overlooked. The writer has in the last few months been told by leading Chinese politicians who are now taking places in the forefront of the impending revolt and secession movement, first that Japan, after a period when her support inclined to the Sun Yat Sen party, had turned over to support the party of General Tuan Chi Jui; and, since the return of Tuan to power, that Japanese are privately offering financial and other support to the Kuomintang. It is Japan's own fault if in events in China during

recent years so much can be found to bear out a thought that these statements might be true—that Japan as a Government is supporting the existing Government at Peking (which is an attitude technically quite correct), while Japanese financial and business interests are secretly lending aid and encouragement to elements working to disrupt the Chinese nation. Now foreigners in the East know that it is practically impossible for large Japanese interests to finance a revolt in China, and to supply it with munitions and supplies, without the knowledge and the tacit approval of the Japanese Government; and I take it that all the governments in the allied association know this too. Therefore if Japan has embarked on such an enterprise, she is in a way to create difficulties for her allies, and to get into very serious difficulties herself. A few years ago, even a few months ago, it might have been possible for Japan safely (in the sense of being comparatively free from opposition or interference) to indulge in that manner of playing a double-game in Chinese politics. But it ought to be impossible now. By the conditions that have arisen, especially from the entrance of America as a belligerent, Japan can be so circumscribed in her industry and commerce by acts of the allied association that she would be able to take a course that they oppose only by leaving the allied group and associating herself with Germany. The perils of that course are so great that we can assume that Japan will not adopt it. Foreseeing such consequences of playing a double-game in China at this juncture, I give Japanese statesmen credit for enough intelligence not to embark in it, and not to allow Japanese large or small interests to engage in it.

SOME phases of Chinese politics and the relations of foreign authority here to them were pointedly brought out during the last week

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YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, MEX. TEN DOLLARS IN ADVANCE, POSTAGE INCLUDED, IN CHINA AND THE FAR EAST. IN THE UNITED STATES FIVE DOLLARS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND CLASS MATTER IN THE AMERICAN, CHINESE, BRITISH AND JAPANESE POST OFFICES AT SHANGHAI IN MAY, 1917

by the case of the arrest in the Foreign Settlements of Shanghai of General Ting Hwai. It appears that, just prior to Chang Hsun's coup d'état at Peking, President Li Yuan Hung entrusted the presidential seals to Ting Hwai for safekeeping. Ting Hwai apparently thought (or was so instructed) that the seals would be safer in Tientsin than in the capital, so he took them there. When the monarchy was restored, he thought it better to get farther away from the scene of trouble, and brought them to Shanghai. In these movements he was followed by another man, a so-called official keeper of the seals; on the well-known Chinese principle of setting one man to watch another. General Ting had instructions, so he says, from President Li, not to deliver the seals to anyone without a written order from the President. Those circumstances compose the conditions precedent of what happened here.

ACTING on the instigation of the Peking Government, through its official representatives in Shanghai, the Shanghai municipal police took steps to arrest General Ting for the purpose of obtaining the seals. General Ting had declined to give the seals up on the ground that he must wait for written authority, although a telegram had come from Peking instructing him. He was living at the Kalee Hotel, an American property, which required that a warrant signed by an American consular official was needed before he could be arrested. Such a warrant was procured, and with it the municipal police arrested General Ting in his rooms at the Kalee, and took possession of the seals. General Ting's arrest was not made public by the municipal authorities when it occurred. On the following day he was privately arraigned in the Mixed Court, with the British Assessor sitting as foreign representative. It is claimed by the friends of General Ting that he was not allowed counsel, and without a proper hearing he was turned over to the Chinese authorities and confined at the arsenal. Later he was sent to Peking.

THIS incident has two distinct aspects—one relating to the action of the foreign authorities of Shanghai in the arrest and examination of General Ting, and one relating to the political meanings of the event. With regard to the first phase, the proceedings undoubtedly were somewhat irregular and they smack of arbitrariness. For one thing, the warrant was obtained from the American consulate on a misrepresentation or misunderstanding; a fact that ought to be known for its effect upon how Chinese think about American policy in these questions of overlapping jurisdiction. Once the warrant was secured, there was no further question involving America; the responsibility became that of the Municipal Council and the British Assessor. The incident caused

much indignation among Chinese because of its alleged disregard of their right of protection in the Settlements. There is no doubt that the action was arbitrary, and it is difficult to defend it on legal grounds. Nevertheless, certain matters which probably prompted the action of the police (done under instruction of the Municipal Council and probably also with the connivance of some consular authorities) ought to be given consideration; and a clue to them is found in the political aspects of the case.

SEVERAL theories of the matter are advanced by those who claim to know what is going on in Chinese politics. The more plausible one is that Ting Hwai left Peking with a definite purpose with which the seals were connected—a plan to get President Li Yuan Hung out of the capital and to Shanghai, when he would assume office at a new capital, reassemble Parliament, organize a new Cabinet of the Kuomintang Party, and thus leave the Tuchun party out in the cold, in the position of rebels if they opposed the Government, and without diplomatic recognition if they tried to function independently of it. In that situation, the seals would have a presumed strategical value; otherwise, those few hunks of brass cannot be assumed to be worth such a potter, for they are without validity and effect except when used by one legally delegated to use them. In short, the seals were thought to be a link in a plot subtly to maneuver the Tuan government into a position of diplomatic irregularity, and to make a government dominated by the Kuomintang the "regular" government of China. Whether this theory is true or not, it has something of political reasonableness, and is the woof of which Chinese politics frequently are woven. Those who are opposed to Ting Hwai politically say that he brought the seals to Shanghai thinking that, in his hands, they would be good political capital, and that he was secretly negotiating with the opponents of the Government to deliver them.

BY that theory, the anxiety of the Government to get the seals is understandable; and that would also throw a good deal of light on the method used by the municipal police in handling their part. It may be that the Premier communicated the matter to some of the legations at Peking, with a request for private diplomatic aid; and that the diplomats, recognizing the dangers which political disturbances in China will cause now, passed along some instructions to local consular representatives. If the local handling of the matter required a rather arbitrary procedure, then the end was held diplomatically to justify the means. The incident has an influence otherwise. In a way it has served notice on Chinese politicians that the foreign diplomatic body is opposed to having the foreign concessions in China used as bases for organizing rebellion, and

that such activities which step beyond certain bounds will be given short shrift. It is noteworthy that, a few days after the Ting episode, the Shanghai municipal authorities issued a regulation prohibiting political meetings in the Settlements except under police license. One is inclined to connect these conditions with the departure of Sun Yat Sen and the more extreme radicals for places where they will not feel the restraint of foreign supervision and authority.

WE can recognize the gravity of the news from Russia without being unduly depressed by it. What is happening there is to a large extent a logical effect of political changes that have taken place as a result of the overthrow of the autocracy, and they need surprise only those who confine their reading to newspapers which obscure and minimize all events not presently favorable to their side. That the revolution would throw Russia into a state of disorganization was certain from the moment it occurred. Optimistic predictions and pretences to the contrary were without power to change or to influence that patent fact; as they were without ability to prevent for long the real conditions from being widely known. When the revolution occurred, the real task of the other nations in the allied association was not to try to cover up what had happened, but to try to help hold the new Russian Government together and give it sufficient administrative strength to continue the nation in the war. In this effort the aid of America was at once invoked; with a result at least that those men who constitute such Government as exists in Russia have been convinced of the advisability of continuing the war. Unfortunately, something more than to convince the Committees and Delegates and a few officials was required. A disorganization of the army, due to the sudden obliteration of all its former standards of discipline and authority, had set in; and how to check that was and still is the main problem. To us it seems that this effort on the part of the other allied governments (except the United States) was deprived of force and effect by their slowness in comprehending the psychology of the new Russia in its relation to war ideals and aims. There has been too much disposition to criticize the Russians for holding these views, which are so diverse from principles which animated the previous Government, without making a sufficiently sincere effort to understand why they feel that way; or to attribute them solely to German propaganda. To abuse the Russians for acting as they are doing is as profitless at this juncture as it is foolish to expect to convince them by abusing the Germans. The Russian proletariat plainly are suspicious of the war aims of some of their allies. The Root mission has done much to allay these suspicions; but the arguments of the American mission have lost weight and

convincing quality by reason of the fact that no definite solidarity of war policy and aims has yet been arrived at between the United States and the previous Entente group. We still believe that Russia can be held in line for a continuation of the war until the ends of democracy are attained; but there should be no time lost in making it clear that the new allied association is unitedly committed to an outcome that will truly serve the ends of democracy.

USE of money, and motives attached to finance, have become a stock argumentative weapon with a large section of the press on both sides of the war. Many editors have become obsessed with this idea, and ascribe almost everything that happens to bribery or subsidy in some form. For instance, the press in Germany, especially the socialist press, advances the thought that the United States was committed to the war because the capitalist class in America feared the defeat of the Allies and the consequent loss of their loans and investments. This assumption will not bear analysis. What American capitalists stood a chance of losing, if the Allies had been completely defeated, was less than two billions of gold dollars. What they are almost certain to lose if the war continues for two or three years more, with America as a participant, is as large a proportion of a thirty or forty billion dollar war bill as drastic income and profit taxes can collect. In other ways too, capital values will suffer when the influence of the war borrowing and depreciation makes itself felt upon industry and investments. If unscrupulous capitalism could have shaped the course of the American Government it would have remained neutral.

DISCUSSION of this question of cost of the war in America has an influence in directing popular attention to the interest of America in the outcome. Americans are not (as is erroneously assumed by many foreigners) especially prone to overemphasize financial considerations; yet any nation, when confronted with the demand to pay an enormous war bill, is apt to become reflective and to have serious mental concern about what the money is to be spent for, and what political results are to be accomplished. When, as in this case, the cost in money is only a part, and the lesser part, of a staggering total which includes human lives and much more than life, one need not wonder that the nation is in a serious rather than an enthusiastic state of mind regarding the war. In some quarters this seriousness has been mistaken for apathy; by others it is taken as opposition to the war; by a few even less creditable motives are ascribed. The American press generally takes the Flag Day speech of President Wilson as an effort to stir the nation, to arouse a so-called "fighting spirit." His speech was well received as

a patriotic utterance, but a considerable part of the press dissents with its presumed purpose by questioning the need of it. In an article headed "Does the Nation Need to be 'Roused'?", The Nation remarks: "In the larger question of preparing to do their share in the war, the American people have simply been doing as they were bid and keeping cool. That it is better so, we believe that most reflecting citizens will agree. There is no occasion to ring alarm-bells in every city and hamlet. What is required is not overmastering excitement, but deep and steady resolve. It is true, no doubt, that in many sections of the United States the war is not 'popular.' For our part, we should wish it not to be in the sense intended. The highly popular war against Spain was not a very edifying spectacle—being too much like a giant beating a cripple. Sober Americans certainly would not desire to-day a display of the vainglorious spirit too often seen in 1898. This war is of a kind to solemnize, not to exhilarate. It is a tremendous work laid upon the people, one for which they may well brace their strength and steel their wills, but not one to evoke a frothy enthusiasm. And unless we grossly mistake the temper of the nation, it is going calmly about the task laid upon it not with exultation, but as men bent on doing a disagreeable duty with unyielding purpose. If that is true, it is far more a thing to rejoice in, far more ominous to the enemy, than would be any amount of yelling and flagwaving."

MOST of the intellectual journals take that view. In an editorial on "The Fighting Hope," The New Republic says: "The hesitation which the American people may feel now about the war will never be removed by the inculcation of fear. No doubt in the case of most wars the psychology of the fighting nations is dominated by fear." "The state of mind of the American people will alter late in the year, when they begin to pay the price of the war in personal sacrifices, in suffering and in blood as well as in money. But suffering will not make them fearful and revengeful. They did not enter this war under the influence of anger, and it is not by cultivating fear and anger that their interest in their grim task can be sustained and renewed. Their hesitation and reluctance to interfere in what most of them took to be a European quarrel was finally overcome, because their chosen leader won their allegiance by emphasizing a great hope rather than a great fear." "In so far as there is any hesitation or apathy in the prevailing popular state of mind about the war it will not, consequently, be remedied merely by the inculcation of fear. Under the circumstances it would be unnatural for the American nation to become as bellicose in temper and as absorbed in fighting for its own sake as are most of the nations of Europe. But the American people can be

induced to fight on with stubborn determination until Germany is beaten provided the conduct and the diplomacy of the war satisfies their scruples on one point. They must be convinced that under the cover of beating Germany they are not being asked to fight for doubtful political purposes. They would like to feel that in abandoning their cherished isolation they performed an act which had the result rather of assuaging European conflicts than of prolonging and intensifying them."

STRONG resentment already has been manifested at some attempts of the American Government to copy and put into effect war measures that have been used in Europe, mostly with dubious results. The proposal to create a rigid press censorship comes in that category. A Bill was brought into Congress, which had the moral support of the President, to create a Government supervision of the press during the course of the war, concentrated in certain officials. At one time it seemed likely that the Bill would pass. In the weeks immediately following the entrance of America, when the public was more or less stupefied by the unexpectedness of that action and therefore disposed to accept without much question measures brought forward by the Government alleged as necessary to bring the nation into a state for war, there was a marked disposition to accept passively conditions which in ordinary times would have caused the most violent opposition. The press censorship came near to slipping through under those circumstances. But some of the newspapers were vigilant, detected the arbitrariness of the measure, and exposed its dangerous tendencies. Once it was brought out into the light of criticism, the Bill lost ground, and was defeated. The censorship provisions had been cleverly tacked on as a part of a general espionage Bill, and in the hullabaloo about German spies it came near to being enacted before its real purposes and probable effects were detected.

THE discussion provoked by the censorship proposal turned the light on the whole question of publicity and the war, and the effects of some conditions upon the interests of the United States. When their nation was neutral, the American press fretted under the restraints imposed by the military censorship of the belligerent governments, but was able to discount the partiality of censored news by free editorial handling and comment. At that time there was no feasible means to escape some conditions of the foreign censorships. Moreover, it was felt that while America had interests which were deeply affected by information or the lack of it, the belligerent nations could not be expected to modify their censorships for those reasons. Conditions now are different. America is in the

war; and already there is a strong spirit of protest forming there against any further subservience of what Americans learn about the war to censorships overseered even by the Allies. Some American newspapers are demanding that either a separate American news service from Europe will be organized, entirely under the supervision of Americans, and which will be free from any foreign censorship; or that American journalists must be admitted to the censorships now in effect, with coordinate powers over the news that is sent out. We venture a prediction that one of these conditions, or both of them, will be adopted before very long. It need not be expected that the American press (which in such a case must, from its inside position as publicity expert, stand for the intellectual rights of Americans) will indefinitely tolerate conditions that in effect make public intelligence about the war in America, and in other parts of the world, subject to a censorship in which Americans do not participate and over which they exercise no supervision. The condition that has existed, coupled with a narrow United States Government censorship of this previously foreign-censored news, would have in time restricted American public thought by a species of journalistic Prussianism to the thought of a few military and not always intellectually competent bureaucrats. It probably was this danger, lurking in the proposed censor provisions of the espionage Bill, that roused the American press to oppose it, and caused its defeat. I notice that the more enlightened British journals are now contending that the British official method of handling the war news has worked injuriously to British and the Allied interests on the whole.

WE have just finished reading a book which, before all others that relate to this war, has registered the deepest mental and moral impression. It is about *The Nature of Peace*, written by Thorstein Veblen, former editor of the *American Journal of Political Economy* and present occupant of the Chair of Economics in the University of Missouri—the editor's Alma Mater. In this issue of the *Review*, in the book department, we reprint a review of Professor Veblen's latest work, by F. H., taken from *The New Republic*, because it is a better criticism than we feel able to write. Those inquiring minds who wonder about and like to speculate whither the war is taking civilization will find in Professor Veblen's treatise much intellectual pabulum.

T. F. M.

How Can America Help China?

BY C. T. WANG

Vice Speaker of the China Senate

PARADOXICAL as the statement may sound, we believe the widespread desire on the part of the American people to give assistance to China is both genuine and sentimental. It is genuine because there is a real sympathy for the struggles of an oppressed people for liberty and the institutions of liberty—for an honest, enlightened and stable government, for a free press, for an unmuzzled Parliament, and for supremacy of law. There is also sympathy for the economic distresses of the people which are to a large extent the result of a system of government wherein the rulers never cared for the welfare of the ruled. Yet this desire to help is more or less sentimental, not because the American people are insincere, which would be far from the truth, but because they are at a loss to know what to do in order to help China. Some critics have likened America to the priest or Levite referred to in the well known parable of the man who fell among thieves on the way from Jerusalem to Jericho. This criticism is not only unkind but also wide of the mark. A better simile would be that of a distressed sister wishing to relieve the pains of a baby who has burned her fingers, but not knowing what to do. Mr. Millard in introducing this timely topic will undoubtedly draw discussions from various sources which, it is to be hoped, will crystallize this genuine desire into such concrete form that they will be of substantial assistance to China.

After having written thus far we hasten to add that America, when guided in her foreign policy by John Hay, did have a clear idea as to what to do to help China. He formulated a line of action which aims at the preservation of the territorial integrity and political autonomy of China and at the maintenance of the principle of equal opportunity in China, generally known as the "Open-door Policy." Mr. Hay in advancing his policy had the support and endorsement of the leading Powers of the world. This policy, if resolutely pursued, would have helped very materially towards putting China on her own feet. The other stroke of statesmanship for which both China and America will ever remember Hay is the return of the so-called Boxer indemnity to China—with which hundreds of our youths have been enabled to pursue higher courses of study in the land of freedom, fair deal and equal opportunities. The Tsing Hua College, which now serves as a preparatory school for these youths, but in course of time is bound to grow into an indigenous institution of high education, we trust, will stand forth at the foot of the historic "West Hills of Peking" as a living statue of



liberty, a present which our future generations will cherish and value as a concrete expression of good will and sympathy, just as the American nation cherishes today the statue presented by France guarding the entrance of New York.

The foremost struggle in which China has been engaged for the last two decades is the sustained attempt to throw off the autocratic rule in Peking. This struggle began soon after our disastrous war with Japan and may be truly said to have marked the beginning of the awakening of China. At first, attempts were directed to bring about reforms without changing the form of government. They were repeatedly and earnestly made but without avail. For ten long years our people waited patiently for a change in the government system so that the will of the governed may at least find a channel to express itself. They demanded for the early convocation of a National Assembly composed partly of appointees by the Emperor and partly of representatives elected by the people. Even that much was denied them and after a full decade of agitation and petitioning, the haughty autocrats surrounding the throne merely announced that the people must wait nine years more in order that they be duly prepared to assume the onerous duties of a parliamentary government. Patient as our people are well known to be, they could now be no longer restrained. The upshot of this was the successful revolution of 1911, which put an end to the autocratic, corrupt and effeminate Manchu regime. But autocracy and corruption remained just as they were and even more strongly entrenched. They were wrenched from the weak hands of the Manchus, only to be grasped by the strong hands of Yuan Shih Kai. Under him the Republic existed only in name, the Constitution was treated no better than a "scrap of paper," and the National Assembly, legally elected by the people, was gagged, muzzled, "purged" and finally "snuffed out altogether. On the death of Yuan Shih Kai, General Tuan Chi Jui came into power. He followed in the foot-steps of his master almost in every detail. The only difference between them is that Yuan aspired to mount the dragon throne—which Tuan would rather avoid. Today Peking is virtually under a dictator. The President insists on resigning. The Vice-President has also expressed his desire to resign and remains in the provincial capital of Kiangsu. The Premier is self-appointed. The "responsible cabinet" is without the co-operation and supervision of the Parliament.

In this vital struggle where shall America, the Champion of Democracy, stand? We entirely agree with Mr. Millard in his views expressed through the editorial columns in the last issue of this paper, which we will reproduce here for emphasis:

"A primary requisite is that, as between reversion to an archaic monarchy, or the reten-

tion of a military oligarchy, or a graduated advance toward genuine republicanism, *the influence of the United States ought to be thrown definitely to bring about the latter alternative.* If this leads to quasi-interference with Chinese politics, then that responsibility must be faced. It is becoming rather ridiculous, at a time when America is engaged in a world war, when the whole life of the American people is being readjusted to meet these war conditions, and with the avowed principal object of saving democratic principles of government from being smothered by autocratic militarism, that the power and influence of the United States should be applied in one place abroad, and should not be applied in another place abroad; that direct American assistance should be accorded to some nations that are trying to cast off the yoke of autocracy, and be denied to other nations that are making the same effort." *The italics are our own.*

China is now making a desperate effort to throw off that yoke. Will America cast her influence definitely to bring about a graduated advance toward genuine republicanism? In 1913 four of the leading Entente Powers now fighting against German militarism, deliberately in league with Germany, sustained the autocratic and military oligarchy by the signing of the so-called Quintuple Loan in face of strong protest on the part of the Parliament members—who protested, not because they were opposed to the loan (which they were not), but on the constitutional ground that the loan agreement had to be approved by Parliament before it could be signed. That loan was the foundation upon which Yuan Shih Kai consolidated his position as the supreme dictator of the land. Our people knew, of course, that the United States withdrew from the consortium and washed her hands, so to speak, in the transaction that followed. China is grateful for the moral support, but we fear that such mere passive acts do not change the course of events. In the struggle now on again between the militarists under the leadership of Tuan and the constitutionalists with such distinguished men as Dr. Wu Ting Fang, Mr. Tong Shao Yi, Admiral Cheng Pi Kwang among the leaders—men who have been educated in lands which have been the home of democracy and constitutional government—we sincerely trust that there will be a change of policy and attitude on the part of the Powers that once backed the military oligarchy. We appeal to the American people and government, as well as to the people and governments of the Entente Allies, for fairplay and justice in dealing with this young Republic now engaged in a life and death struggle with the military machine Yuan Shih Kai had created.

America is now in a different situation from what she was in 1913. She is no longer isolated, diplomatically speaking, as she was then. She has now thrown her vast resources and man-power

in the scale on the side of the Entente Allies, whose principal members have played and are bound to play an important part in the affairs of and concerning China. They are Russia, France, Great Britain and Japan. For the present Russia is too much preoccupied with her own internal troubles. France and Great Britain while vitally concerned with affairs at home and the Near East, still keep at least one eye open on the situation in the Far East. Their one great anxiety is to keep the Far East from the intrigues and plots of the indefatigable German agents. China is not slow to understand their situation. When an opportunity presented itself in the launching of the ruthless submarine issue, she at once protested against this barbarism and backed the protest with the severance of diplomatic relation with Germany. She would have taken the final step were it not for internal difficulties which, when once settled, would eventually free her to side definitely with the Allies. At any rate neither France and Great Britain, we take it, would raise any objection to America giving substantial aid to China. By process of elimination Japan is the only Power left whose attitude is doubtful. Will she object or will she not, if the United States renews her Open Door policy? If she objects and does not wish China to grow strong and united and to establish and develop liberal and democratic institutions, then, as Mr. Millard has well put it: "It is very important for China to know it, and for the United States to know it, and for the allied nations to know it." In view of the repeated assurance given both by the Japanese Minister of Foreign Affairs and the Japanese press, we are rather persuaded to believe that if the United States renews her Open Door policy at this juncture, Japan is likely to fall in with it.

Besides political assistance America is also in an excellent position to aid China financially, of which she stands so much in need. The European countries have been too disabled by the titanic struggle to finance China for the construction of roads and the development of industries. Many contracts entered into already have now to be kept in abeyance until the war is over and perhaps several years after it is over. Moreover, our people will welcome American capital with open arms, well knowing that the United States has no political ambitions in China or in any other country. By applying the loans to industrial and other reproductive purposes, such as the construction of roads in the broad sense of the word, including both railways and highways, and the establishment of factories, with our abundant supply of labor and raw materials, such help will go a long way towards relieving the distresses of the people by giving them a means of livelihood. With increasing facilities of transportation and greater opportunities for work, the nation is bound to grow prosperous and with prosperity

will come a greater contentment among the people and hence a more stable government.

In giving financial aid to China America need not seek the cooperation of Japan. Baron Shibusawa's plan of American cooperation through Japan in China is decidedly open to criticism and objections. Mr. T. L. Li's article on the subject, as recently published in "Asia" magazine and reproduced in the last issue of this paper, in which he set forth strong, unbiased and well balanced arguments against Baron Shibusawa's proposal, may be taken as voicing the sentiment of the great bulk of the educated and thinking element of the Chinese people. In saying this we do not mean that we should object to Japan giving us financial assistance. In fact at the present time, if financial aid is to come at all, it can only come from these two countries. We should as much welcome Japanese capital as we would American provided such capital is to be a business transaction pure and simple. We consider it, however, seriously objectionable that whenever America invests money in China, Japan must *pari passu* have a share in it, or vice versa.

A third way in which America can help China is to bring into China a sufficient number of experts who can aid China to establish and develop large industrial plants and factories and to train and bring up a large force of native industrial and technical leaders. Americans have been among the foremost in the educational work in China, largely through the Christian missions. No comment is necessary as to the high value of the noble work they have been doing, for which we will ever be grateful. Nevertheless, we keenly feel they have overlooked an important element in their educational programmes. They have not, until recently and even now only in isolated cases, provided for vocational, industrial and technical training in their educational institutions. On our own part, whether government or general public, we have been equally blameworthy. As a result there is a widespread dearth of men having the necessary training and experience to organize and administer an industrial or commercial organization of any size along modern lines. Our railways, for instance, instead of having become revenue producers as they ought, continue to be a serious source of deficit to the government. Many futile attempts to establish commercial and industrial organizations have thoroughly disheartened prospective investors. These failures are to some extent due to deliberate fraud and embezzlement but in a majority of cases due to lack of experience and training on the part of the men who have been entrusted with heavy responsibilities without the necessary knowledge. It would be well for the American government to induce and encourage large commercial and industrial firms to found and endow

a number of educational institutions to provide vocational and technical training. In time they shall reap as much benefit from it as our people will undoubtedly derive, as it is a well known principle that increased industrial and commercial knowledge in a given community tends to raise their earning capacity and a rise in earning capacity leads to greater buying capacity as it creates a demand for larger and more varied imports from foreign countries.

We beg to advance these three ways for America to aid China. The political assistance aims to renew the Open Door policy and to influence the Entente Powers to maintain the same principles of liberty, constitutionalism and democracy in China as they are fighting to maintain on the battlefield of Europe. The financial aid is to be directed at the industrial, commercial and other productive development of the country. The introduction of industrial and technical experts has for its objective the improved methods of administration of existing revenue producing organs of the government, the establishment of other productive organizations, and the training of Chinese youths in sufficient numbers to direct, maintain and develop such organizations.

Effects and Interpretations of the U. S. Note

THE "advice" given recently by the United States Government to China, and its reception by other Powers included in the present allied association, seems to have been quite well understood in America, where the press gave it prominence. Here in China, in such cases, we always are left slightly in the dark by incompleteness of information about such events at the time they occur. Yet, with fuller details to hand now, we find that our impressions held at the time when the Note was presented were fairly accurate. We then pointed out that sending of the Note, criticism of it by the Japanese press, and the replies of Great Britain and France to the invitations of America to join in the advice, intimated distinctly the existence of engagements among those nations regarding their mutual policies in China which prohibited them from joining with the United States, notwithstanding that they sympathized with the object and the principle of the advice.

Writing in "Asia" magazine, the journal of the American Asiatic Association published in New York, Mr. Frederick Moore, former Associated Press correspondent at Peking, remarks: "The incident is now said to be closed, and we shall probably hear no more of it. But it has brought out the fact that, as reported, Japan, for supporting the Allies and assisting Russia, has already obtained from the *Entente*

Powers recognition of the special position with regard to China which she has been working to achieve since the beginning of the war. Whether we recognize her paramount place or not, at any rate she has announced by her action her assumption of that position, which is in a sense a protectorate."

That seems to be going a little farther than the facts, in so far as they are definitely known, would warrant. We have taken pains to notice official utterances of Governments on this subject, and so far have not seen anything which proves, as Mr. Moore states, that "Japan has obtained from the entente Powers recognition of the 'special position' with regard to China which she has been working to achieve since the beginning of the war." There are many indications that something like what Mr. Moore says has indeed occurred; but we do not know that any nations have yet openly admitted it. However, the truth about this matter must become known, and before very long. In the course of quite a comprehensive discussion of the question, *The New Republic* says editorially under the title "Bad Impressions:"

"China created a bad impression upon her friends in the western world when she permitted personal ambitions and factional intransigence to involve her in a state bordering on anarchy. The United States created a bad impression upon Japan in counselling the Chinese to moderation and common sense. Japan created a bad impression upon the United States by raising a tempest over the proffer of good advice to China without consultation with Japan. The Entente Allies, by their wringing of hands over the raising of the question of Japanese paramountcy in China at this critical time, must be creating a dreadful impression upon Russia. It is intimated that Japan must be kept contented, because she is expected to keep Russia in line, perhaps by manipulation of her supplies and munitions, perhaps by more drastic action. How is the Russian democracy likely to react toward hints that the Allies are relying upon any other influence upon Russian policy than interest in establishing peace with justice?"

"It will no doubt be agreed by men of diplomatic habit of mind that Mr. Lansing made a mistake in dispatching his note to China. He must have been aware of the growing determination of the Japanese to establish their paramountcy in China. He must also have been aware of the fact that with Russia apparently wavering, the Japanese regard themselves as more than ever indispensable to Allied success. He must have realized that influential parties in Japan were eagerly on the watch for an opportunity to proclaim the advance of Japanese designs upon China. He furnished the opportunity. He can hardly take it amiss if the adepts charge him with a quality of diplomacy that falls short of the conventional requirements.

"But conventional diplomacy is chiefly useful to cover up the realities of an international situation. Mr. Lansing's diplomacy has the unintentional virtue of illuminating those realities, and this is what we need at the present moment. How does it come that an innocuous note to a friendly nation should have stirred up such a writhing nest of bad impressions? At bottom the aim of the Allied enterprise is still ambiguous and the nature of the coming peace is still undetermined. Our diplomacy is based upon one expectation of peace, while that of some of our Allies is based upon another. It is time that we proceeded to work out an agreement.

"Either the peace will be established upon the guaranty of a permanent international organization, or we shall return to what amounts internationally to a status quo ante, whether Germany is beaten or not. If peace is to be guaranteed by international organization, there is no room for the establishment of new paramountcies, like that claimed by Japan in China, nor in the long run for the maintenance of old paramountcies like that said to be claimed by the United States on the American continents. Under a permanent peace organization we should not need to fear that other Powers would attempt to reduce independent American nations to the state of colonies. Nor would Japan need to fear that China would be divided up and held against her by the Western Powers. The peaceful and orderly development of China as an independent state would offer tremendous economic advantages to Japan. It could not in any way injure Japan politically.

"But if we are to return to the international status quo ante, with each nation relying for its defense upon armaments and strategic frontiers, and each nation striving to extend its imperialistic interests as widely as possible, Japan is pursuing an enlightened if selfish policy in claiming paramountcy in China, and even in asserting a vested interest in Chinese civil disorder. Decades are likely to elapse before China can establish a perfectly stable government. Revolutions are almost sure to occur, and foreign interests are certain to suffer. If the world remains imperialistic in its tendencies, the natural outcome will be the imposition of foreign control. Now, if any foreign state needs to hold imperial power over China, that state is Japan. Western Powers might find opportunities for profit in Chinese spheres of influence. China means vastly more to Japan than opportunity for profit. Japan's security as a nation would be seriously menaced if a group of potentially hostile Powers were firmly planted behind her on the Asiatic mainland.

"If we are looking forward to an era of organized peace, we do right in insisting upon the integrity of China and in refusing to recognize any degree of paramountcy on the part of Japan. If we are looking forward merely to a redistribu-

tion of imperialistic power, we ought to recognize Japanese claims upon China as valid.

"As a nation we did not enter this war for the sake of continuing the old order of imperialism under new auspices. Our interest in the war is derived from our interest in peace. If our allies have other ends in view than the establishment of peace upon a solid basis of justice and order, we ought to know it at once. Mr. Lansing's note to China and its results will aid in enlightening us."

That is fundamentally sound doctrine. With the possibility of the war ending in a mere shifting of the balance of power in Europe, without any material alteration of the bases of world politics, none could blame Japan politically if she would try by hook or crook to obtain for herself a position of "paramountcy" in China. But if the entrance of America means anything, it means that a new formula will have to be found for world politics, in the need to get stable ground for carrying the present allied association through its heavy task of disabling militarism. In its application to China, this new principle carries promise of peaceful development not only to China, but it also opens a way to relieve Japan's mind about some tendencies of international politics.

T. F. M.

Week's News Summary

THE WAR

- July 18.* Germans recapture ground at Hochsberg and Avoncourt Wood.
- July 19.* British troops, assisted by Portuguese, drive the Germans back 33 miles towards Mahenge in South Africa.
- July 20.* Sir Douglas Haig reports successful raids North of Ypres and at Gavrelle.—Announcement made that the British Air Board's plans are so vast that the entire output of Honduras mahogany is not sufficient to meet the demands; but fears are expressed whether the man power is sufficient.
- July 21.* Whole Russian front from Zlota Lipa to the Dneister withdraws under German pressure. Germans occupy Tarnopol. Austro-Hungarian forces recapture positions north of Brzezany lost by them July 1. Russian troops retreat beyond the Sereth, evacuate Babino and retire to the right bank of the Lomnitza. Collapse ascribed to mutiny among Russian troops.
- July 22.* About a score of German aeroplanes raid Essex Coast, Felixstowe and Harwich. Eleven persons killed and 26 injured.—Siam declares war on Germany and seizes ships with a tonnage of 18,965; Siam had been used as a centre of propaganda against India; all German residents will be deported.
- July 23.* Germans obtain foothold in French first line positions in California Plateaux.
- July 24.* Artillery duel continues entire day in Flanders; Germans drop 850 shells into Rheims.

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July 25. The weekly report of the British Admiralty shows 21 ships over 1400 tons and under 3 ships 1600 tons, sunk.—French recaptured positions taken by Germans on Casemates and California plateaux.—Germans capture Stanislaw and Nadwarna; Russian retirement continues.

CHINA

July 19. Sun Yat Sen at Canton agitates for the formation of a Republic with Canton as the capital.

July 20. Mandate proscribes Kang Yu Wei, Wang Shen Chih and Hi Chi Yuan for assisting Chang Hsun in the Restoration. Demand made on Dutch Minister to hand over Chang Hsun.

July 21. First Squadron of Navy issues manifesto against Tuan Chi Jui's government and proceeds South with Admiral Chen and Tang Shao Yi.

July 22. Kwangtung and Kwangsi officials telegraph Li Yuan Hung to resume the presidency immediately so as to avoid the establishment of a government in the South.

July 23. The declaration of the First Navy Squadron causes serious concern in Peking.

July 24. In spite of the citizen's objections the Provincial Government grants a fan-tan gambling monopoly for a term of three years in return for an annual revenue of six million dollars.

July 25. Dutch Minister informally refuses request for the extradition of Chang Hsun.—Acting President Feng Kuo Chang is announced to leave Nanking for Peking July 29; eleven trains are being prepared.

JAPAN

July 19. American Red Cross mission to Russia entertained at luncheon by Japanese Red Cross Society in Tokio.—The Privy Council, taking up the plans of the Terauchi Cabinet for the unification of the Government services in Manchuria and Chosen, decides to disagree with the Premier as regards the management of the South Manchuria railway. It is decided to place the Railway under the supervision of the Governor-General of Kwantung, although he will not be permitted to become the chief of the directors.

GENERAL

July 18. At Petrograd the Cabinet Council discusses a proposal to remove the seat of government to Moscow.

July 19. Quiet restored in Petrograd; it is estimated 500 persons were either killed or wounded during the troubles. Ringleaders arrested as German spies. Unsuccessful attempt by shooting made on the life of M. Kerenski.—United States declines to participate in forthcoming conference of the Allies in Paris.

July 20. M. Kerensky appointed Premier of Russia, succeeding Prince Lvoff resigned; also retains posts of War and of Marine.—Dr. Michaelis, German Chancellor, makes defiant speech on the war situation; claims submarine warfare is not contrary to international law; regards intervention of America without concern, as it was easy to reckon the tonnage necessary to transport an army from America to Europe, and France and England were scarcely able to supply their own armies without impairing the military and economic situation; Germany would not parley with an enemy that demanded parts of their empire.

July 21. Lloyd George at Queen's Hall in reply to the German Chancellor states that Dr. Michaelis was trying to dope his people with illusions. England was arranging a programme of cultivation that would make 1918 secure even if British shipping losses were increased; Germans should not harbor the delusion that they were going to put the British out of the fight until liberty had been reestablished throughout the world.

July 22. In a proclamation the remodelled Russian Provisional Government declares that it would again demonstrate by its foreign policy that the army could only fight with the firm conviction that not a drop of Russian blood was to be shed for foreign ends, and again to confirm the universally proclaimed sentiments of democratic right in pacific pronouncements; it was therefore summoning an inter-Allied conference to meet in August.

July 23. America's advances to the Allies now total over a billion and a half dollars.

July 24. House of Commons passes appropriation for £650,000,000—the largest authorized since the beginning of the war.—In the House of Commons, in reply to accusations by Mr. John Dillon (who claimed that Servia was being deserted) Lord Robert Cecil stated that Britain stood by its Allies in the broad aims of peace.

July 25. United States replies to Allies' invitation that America does not wish to be represented at the Balkan conference.

America

Jackson Barnett, reputed to be the wealthiest Indian in the United States, subscribed \$640,000 for Liberty bonds through his guardian, Carl J. O. Hornett, of Henryetta, Okla.

Louis Kramer, convicted of conspiracy against the Conscription Law in New York City, was sentenced, June 13 to three years imprisonment, a \$10,000 fine, and at the expiration of his prison-term to be transported to Russia.

No American names appear in the new French blacklist which is published in the official journal and supersedes all previous lists. The new decree embraces more than 2,500 foreign firms with whom French citizens are forbidden to deal.

Within three months the allied armies will be supplied with a serum which the Rockefeller Institute for Medical Research believes is an effective antitoxin for the gangrene gas bacillus. Gangrene has been for all time the most serious problem of army surgeons.

Emma Goldman and Alexander Berkman were arrested in New York June 15 charged with conspiracy against the Government in inducing young men to break the selective conscription law by not registering. They were later found guilty and sentenced to two years imprisonment and to pay a fine of \$10,000.

"Dynamite" Johnny O' Brien, famous as a Cuban filibuster and said to have conducted experiments with a submarine in Japanese waters during the Russo-Japanese war, died quietly in bed in his eightieth year, in East Fifteenth Street, New York, June 21. Senor Barranca, personal representative of the president of Cuba, was present at his deathbed.

Col. Oliver Hazard Payne, son of former United States Senator Henry B. Payne of Ohio, an uncle of Payne Whitney, Harry Payne Whitney and Mrs. Willard D. Straight, died at New York June 27. Col. Payne was for many years treasurer of the Standard Oil Company and at the time of his death held Standard securities aggregating about \$90,000,000.

The Rev. M. H. Rylatt, a Methodist minister from Old Boston, England, recently arrived in America soliciting funds for the relief of Churches on the east coast of England that have suffered terribly from the frequent Zeppelin raids. According to a report published by the N. W. Christian Advocate, the damage done has reduced whole parishes to a state of bankruptcy.

Without an exception the large steel mills of the country are out of the market, and refuse all inquiries as to why they are in this position, but it is easy to see that the main reason is the fact that the Government may step in at any time before delivery can be made and take a hand at price making, and this might disarrange the program of deliveries against obligations now on the books.

The N. Y. Sun prints an editorial by its owner, Frank A. Munsey, stating that the aeroplane is a short cut to winning the war; every hundred million dollars put into aeroplanes, and put in quickly, will save three hundred thousand Americans in killed and wounded; and that one billion dollars so spent will go further in winning the war than twenty billion dollars spent in trench fighting.

Dr. Henry S. Waters, president of the Kansas State Agricultural College and also president of the



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Kansas Council of Defence, made announcement June 25 of a campaign to induce the planting of 10,000,000 acres of wheat in Kansas next fall. Demonstration trains in charge of experts will be run through the State to inform farmers as to the best methods of preparing the soil for seeding.

The Committee on Public Information, of which George Creel is Chairman, has undertaken the publication of a series of pamphlets dealing with the war, which will be printed at Government expense and put out as parts of a "red, white and blue" series. It was announced that the hope of the committee through these pamphlets is "to answer completely and effectively questions concerning our participation in the great war."

In addition to the Federal census of all males, the state of New York last month took a census of all residents, men and women, between the ages of 16 and 50. The list of questions to be answered occupied four columns of fine print in the daily newspapers. All those who registered were given a certificate of registration; all males received a notice of enrollment in the state militia. The penalty for failing to register or to answer the questions correctly was six months imprisonment.

Edward W. Edwards, secretary of the Allied Printing Trades Council, brought charges in New York June 29 that William J. Burns, the well-known private detective, employed an operator to steal papers from the Union Metallic Cartridge and Remington Arms Company in Bridgeport, to be brought to New York to be copied. The hearing is before William Boardman, Deputy State Comptroller, who is to decide whether Burns shall be permitted to keep his license to operate a private detective agency in New York State.

Every pier in New York harbor has been made a barred zone into which no enemy aliens will be permitted to enter under any circumstances. Enemy aliens who have occasion to cross the river on ferryboats, on legitimate errands of business may procure permits, but they will have the route they are to follow mapped out for them and they must not proceed over any other route. If they do they will be arrested and will face internment for the rest of the war. There are a great many Germans employed along the New York waterfront, and all who have jobs which take them on piers will have to relinquish those jobs.

The Senate Committee on Agriculture by a vote of 9 to 7 June 27 voted to report to the Senate a prohibition section which removes malt liquors from the class

of permissible manufactures and delegates to the President the authority only to restore the privilege of manufacturing wines, to the producers of alcoholic beverages, if in his judgment a public emergency warrants such action. In extending the scope of the legislative and the President's powers, the committee adopted amendments which would provide for Government control, in addition to food, feeds and fuel, of iron, steel, copper, lead and their products, farm implements and machinery, fertilizers and binding twine materials.

The Public Ledger Company of Philadelphia has filed a bill in equity in the United States District Court against the International (Hearst) News Service, charging that the International has "pirated" news belonging to it in somewhat the same manner recently charged and decided to be unlawful in the case of the Associated Press vs. International News Service. The allegation is that the Hearst service copied the messages or cables from early editions of the Public Ledger and telegraphed them to the International subscribers in the West, availing itself of the difference in time so as to enable its subscribers in the Western cities to publish the said messages simultaneously with those newspapers to which the Public Ledger has sold the service, and in some cases in advance of such publications.

Alf Hayman of Charles Frohman, Inc., and Ethel Barrymore, have made an announcement that they are ready to put into operation plans which Mr. Frohman formulated before his death for the establishment for Miss Barrymore of a permanent repertory of wide scope and high quality. The foundation of this repertory will be laid at the Empire Theatre next season with five productions, two of them revivals of the star's greatest successes. The first will be "The Lady of the Camellias," which will be presented late in the autumn. Miss Barrymore has long aspired to play this impressive emotional role. Next Miss Barrymore will revive Sir Arthur Pinero's "Mid-Channel." Then will come "Captain Jinks," the comedy by Clyde Fitch in which Miss Barrymore first became a star at the old Garrick Theatre. The fourth production will be "The Bridge of Sighs," a new romantic play by Edward Sheldon, and the season will be concluded with a revival of Sheridan's "The School for Scandal," Miss Barrymore playing Lady Teazle, assisted by an all star cast.

Men and Events

The maximum temperature in Kobe on July 14th was 95 degrees. Such extraordinary heat in July had not been experienced in Kobe for 20 years.

Dr. Ariga, Japanese legal adviser to the Chinese Government left, Peking for Japan July 20. His agreement expires at the end of this month.

Mr. George E. Anderson, American Consul General at Hongkong, passed through Shanghai this week enroute to Peking, where he will remain for a month, on vacation.

Mr. D. H. Blake, manager of the American Trading Company, of Japan, with his family have sailed for America. Mr. Blake has been ill for several months and has gone home for his health.

The American Minister and Mrs. Reinsch are in quarantine at their summer residence in Peitaiho, owing to the illness of their daughter, Claire, who it is feared has contracted scarlet fever.

Mr. Roger E. Simmons, trade commissioner for the American Government, arrived in Yokohama last week on his way to Petrograd. He has been ordered to Russia to investigate the forestry resources of that country.

Information to hand from Chengtu is to the effect that the Szechuan and Kweichow troops in that city came into conflict July 7. Numerous conflagrations resulted and large areas in various parts of the city were burned out.

Seventy-one Chinese students will sail from Shanghai August 15 by the Pacific Mail steamer Venezuela for San Francisco from which place they will go to various colleges and universities in America in September to attend school. These students have been selected by competitive examinations in the various mission and government schools of China.

The magazine section of the New York Times of June 24 contains a page article on "War to Insure our Existence as a Nation," by L. R. Wilfley, former Judge of the United States Court for China, in the course of which he says that Japan's chief aim is to consolidate all the many hundred millions of the Orient under her own hegemony and build a great military empire which will enable her forever to dominate the Pacific basin.

According to announcements issued this week, the Pacific Mail Steamship Company's passenger and freight business will be handled by Mr. B. C. Haile, agent of the company, from the offices in the Palace Hotel Building, beginning August 1. It has also been announced that a new steamship, the Santa Cruz, will in a short time be placed in commission between San Francisco, Manila and Calcutta.

At 4 p.m. July 20th General Ting Kwai, who was staying at the Kalee Hotel, having in his possession the seals of the President which he declared he would not part with unless authorised by an autograph letter from President Li Yuan Hung, was arrested by the Municipal police and sent to the Mixed Court where he was tried by Magistrate Kwan and Mr. Grant Jones, British Assessor, at 6 p.m. on the same day. Ting Kwai was handed over to the Military Commissioner Lu Jung Hsiang of Shanghai. Considerable comment was aroused by the fact that the proceedings were unduly "rushed," apparently with an effort to keep the details secret.

The following changes in the U. S. Consular service in China are announced: L. L. Schnare, Vice Consul, from Shanghai to Canton (to be made in September) succeeding W. H. Webber, at present on leave in America and who will then take charge of immigration matters in Shanghai, Paul R. Josseyn, Vice Consul, from Canton to Tientsin, where he will be in charge during the absence of Consul General Fisher; C. D. Meinhardt, Vice Consul, formerly at Hankow, succeeds at Canton.

A notification by the Shanghai Municipal Council, issued with a view to preventing "unbridled utterances," provides that no meeting of a political nature shall be held in the Foreign Settlement without special permission from the Council and that any persons wishing to convene such a meeting shall apply for permission at least forty-eight hours in advance to the Captain Superintendent of Police stating the object of the meeting and giving in a general way all particulars with regard to those attending the meeting and the programme to be observed at the meeting.

Mr. M. O. Springfield, the Acting Registrar of the Mixed Court, in his report for June calls attention to the activities of lawyers' "touts", who make it a point to take money from both sides.

A new type of German submarine is equipped with a wire cutting device designed to release it from nets. A sketch made by the captain of a British merchantman in a small boat after his ship had been torpedoed shows several strands of stout steel hawsers stretched from the bow through the conning tower to the stern. Attached to these is a series of heavy circular knives a foot in diameter and placed about a yard apart.

The surplus of the Chinese salt revenue for the month of June, which amounted to over \$3,000,000, was released during the latter part of last week. The surplus from Shanghai for June amounted to about Taels 2,200,000, and that from Tientsin was about \$400,000. The release was ordered after a meeting of the foreign bankers, convened at the solicitation of Prime Minister Tuan Chi Jui.

Owing to the extreme shortage of soap and lack of soap making materials and machinery, the Mayor of Lyons (France) has requested Consul Jones to cable to Washington asking that large quantities of soap and soap manufacturing supplies be sent from America as soon as possible; many laundries have closed, and the few open demand fabulous prices, so clean collars are a rarity and people are forced to have their laundry dry cleaned despite the high price of gasoline.

Mr. Koga Renzo in an address in the Japanese House of Peers July 14 said there had been an increasing number of cases of fraud, embezzlement, and similar offences, while the number of youths arrested for offences against the good morals of society and matters of a kindred nature had been on the increase; statistics showed that the number of divorces, for which Japan ranked foremost among the civilised countries in the world, had of late years been increasing instead of decreasing. He added that an epitomised picture of the moral condition of the Japanese might be seen on the tramways, where men fought for seats and showed no consideration to women, aged people and children.

Putnam Weale in the course of a letter to the editor of the Japan Advertiser says: "No one who has not been born in this country is entitled to express any opinion on Chinese affairs. That is one of the reasons why the North-China Daily News is so frequently absurd. China is a difficult country to understand because here you have a very simple and democratic society composed of men with subtle but very lazy minds. In such circumstances the reactions can only be known to those who have been accustomed to such reactions from the very beginning and who know all sorts of little things which cannot be put into words. I do not want to write a long dissertation but I do want you to grasp the fact that not only are the Chinese the most democratic people in the world but that they will possess a well-organized Republic within one generation."

Among the incidents of the French censorship of the press are the following: Gustave Tery's newspaper L'Œuvre was suspended for two weeks last year for printing (against the censor's orders) twenty lines of an article that had appeared the day before in Clemenceau's news paper L'Homme Enchaîné. In announcing its suspension in posters displayed at the news-stands L'Œuvre stated that Le Journal and Le Petit Parisien had been guilty of the same offense, whereupon

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PENANG, SINGAPORE, KUALA LUMPUR, BANGKOK, SAIGON, HAIPHONG, HANOI, RANGOON, BOMBAY, CALCUTTA, BATAVIA, SOERABAYA, SEMARANG, HARBIN, VLADIVOSTOK.

Merchants dealing at or with the above ports will be supplied with C.I.F. quotations immediately on receipt of inquiry.

CORRESPONDENCE SOLICITED.

another day was added to the period of its suspension for *affichage intempestif*. The New York Herald in Paris one night received an important and exclusive cablegram from the United States. It was the custom of this publication to exchange news with the French daily Le Matin. The censor of Le Matin let the despatch in question pass, but the censor of the Herald ordered it out. The result was that Le Matin appeared with the cablegram received and paid for by the Herald, while the Herald itself appeared without it.

Women's Work

American Women's War Relief Work.

The committee appointed last week is busy making arrangements regarding materials, and is also looking for suitable rooms. Attention is directed to the following letter:

Shanghai, July 27, 1917.

EDITOR, MILLARD'S REVIEW:

Sir:—At the last meeting of the American Women's War Relief Work organization, it was decided that as free rent was just so much money saved for the Red Cross Fund, it would be advisable to endeavor to secure workrooms and storerooms, etc., free of rent and with this end in view, I was delegated to ask you to insert in your paper a plea for some vacant room or rooms in the business portion of Shanghai. That there are unused rooms in many of the business houses in Shanghai I know to be a fact, and we feel certain that these would be offered us gladly if it was only known that we needed them.

In connection with this War Relief Work, it is on the tapis to open up a Woman's Exchange in which various small household and personal articles, besides cakes, pies, sweets, jellies, etc., can be sold, the proceeds to go to the Red Cross Fund.

Answers to our request for room or rooms to be sent care of Mrs. C. H. Blake, 3 Route Ghisi.

THE EXECUTIVE COMMITTEE A. W. W. R. W.
(MRS.) C. L. BLAKE.

British Women's Work

The following are extracts from the weekly report:—

There is little to record this week. Our work goes on steadily, though with so many members away, the usual quantity returned to the depot is not so great. The work attendant on our presents to volunteers leaving Shanghai and other places becomes heavier, really requiring a department to itself. We wait only for Mrs. Craddock's return to place it on a more organized footing.

The treasurer's report shows how good are the monthly subscriptions and what a considerable part of our income they now form. We have received a handsome donation from Mrs. Frost, the result of the sale of entrance tickets to the exhibition of her sketches and modellings which was held lately, the proceeds of which she has most kindly given to us.

Sock Department.—Cards in acknowledgement of parcels sent have been received from:—General Bray, N. R. Brown, C. H. L. Symons and W. C. Taylor.

Treaty Port Centres.—A good contribution of very well made things comes from Amoy and a quantity from Mukden—all very nice. Chefoo again appears as contributing. Tongshan also sends a good subscription.

Work in Shanghai.—362 garments, all made by Shanghai workers of depot material, were received at the depot on July 14.

Gifts received July 21:—From Mrs. Endicott the handsome present of 7 scarves, 5 pairs socks, 6 caps, 1 pair cuffs. Mrs. Edward Ezra 2 pairs socks. Misses Hardman, Nathan, and Sopher 1 pair each. Mme. Beudin, 1 scarf. Miss Hardman 3 eye bandages.

Far Eastern Press Opinion

Alleged German Intrigue

From the Peking Gazette.

If the Germans are really capable of doing the many things that are daily credited to their account the Entente might as well give up the hope of combatting them. According to one ally report German gold was responsible for the opposition of a portion of the Chinese Parliament to the war. When a portion of the Navy declared their resolve to support President Li Yuan-hung the alarm was at once raised that it was German gold which stimulated their loyalty to the Chief Executive. Furthermore it was German gold which helped Chang Hsun to restore the monarchy. Now that Admiral Cheng Pi-kuang has gone to Canton with the First Fleet in support of the movement in the South the Japanese news-agency comes out with the same old tale, three million German dollars is the cause of the independence of the navy. It says that Premier Tuan tried to bribe the navy with \$600,000 but he was out-manoeuvred by the Germans, who promptly gave \$3,000,000. If these

accounts are to be believed the Germans must have spent something like \$10,000,000 for the sake of keeping the navy in constant revolt. In addition to this there was the amount alleged to have been spent in bribing the M. Ps. Yet very little silver is seen in the Chinese market. The M. Ps. and the Navy must have buried their fortunes immediately after they got it. To charge Admiral Cheng Pi-kuang with accepting a bribe is, however, ludicrous as his long and honorable record is well-known.

Liang Shih Yi.

From the Peking Gazette.

With the present Cabinet in power nothing can surprise the country. For is it not a fact that the arch-monarchist Admiral Liu Kwan-hsiung, is appointed Minister of the Navy? The employment of Liu Kwan-hsiung, Tsao Ju-lin and Yeh Kungtso or even Chang Ho falls into insignificance when it is said that Liang Shih-yi, the God of Wealth and right-hand man of Yuan Shih-kai, is soon to return to power. Liang has been under the ban of a universal warrant of the Republic. He is wanted for high treason. But even this will not prevent the personages in power to recall this arch plotter against the Republic. So it is rumored that it will not be long before a mandate will be issued exonerating Liang Shih-yi and placing him on a level with other good citizens. Once this is done he will be given a post to "achieve merit" to redeem his past and by the magic of mandarin logic he will once more hold the financial reigns of poor bankrupt China. One question: Is the Chiao Tung clique trying to get him back or is Mr. Liang Chi-chao, the new Minister of Finance, seeking his assistance to raise funds to finance the Government?

Shanghai as a Refuge

From the North China Daily News (Shanghai)

In the circumstances in which we live we have not the right, which a foreign country can assert for itself, of refusing to hand over political conspirators at the demand of the Chinese Government. To do so is an abuse of the privilege of extraterritoriality. So far as foreigners are concerned there is but one government in China, namely, that which is recognized by the foreign Powers; and if that Government demands the extradition of a particular person and is able to make out a *prima facie* case against him, as was done in respect of General Ting Hwai, there is no question but that person will duly be handed over. . . . No one for a moment wishes to see the residents of the International Settlement deprived of legitimate rights of criticism. There is a deep gulf fixed between genuine and sincere political criticism and rebellious propaganda. But it is not the intention of the constitution of Shanghai that it should be used as a convenient refuge for every political intriguer, nor will it be allowed to continue as such.

The Case for Compromise

From The Shanghai Mercury

It is probable that Tuan Chi Jui believes that Parliament would not sanction either his appointment as Premier or those of his Cabinet, and no doubt under present conditions he is right. But an arrangement should not be impossible. There are reasonable men in the Kuomintang and patriots in the South. The North, it is certain, has not force sufficient to impose its will upon the South, no more than the South can by force overcome the North. The talk of Punitive Expeditions

is mainly hot air. But a continuance of present conditions is not to be contemplated. It is suggested that the Entente Ministers are inclined to support Tuan Chi Jui because he is desirous of declaring war against Germany. But it is not likely that Entente support would go the length of aiding him to make himself Military Dictator. A much more satisfactory role for the Entente Ministers to play at this moment would be to endeavor to bring about a reconciliation between the contending factions, and get a strong coalition and Constitutional Government formed. And there can be no doubt that a properly representative Republican Government would declare war on Germany. A declaration of war by a divided and disorganised country would be of much less value to the cause of the Allies than it would be if it were made by a strong and united China. And that is what we fervently desire to see, a strong and united China standing side by side with the Allies in their fight for the cause of democracy and the freedom of the world.

The Presidential Seals

From the Peking Gazette

Peking accuses Gen. Ting Hwai of plotting with or trying to sell the seals to the Kuomintang for seditious purposes. The Kuomintang retorts by saying that Premier Tuan is trying to cover up the forgery of mandates by securing possession of the seals. In both of the telegrams, which were said to be despatched by General Li Yuan-hung to the Vice-President on the day he appointed Tuan Chi-jui Premier, it is stated that the seals were sent to Premier Tuan to be forwarded to the Vice-President. In the latter of the two, the words are unmistakable; it states "All the seals, credentials and documents have already been sent to Premier Tuan for safekeeping, and to be forwarded to the Vice-President." Either General Ting Hwai actually ran away with the seals while supposedly proceeding to Tientsin with them or the telegrams and mandate authorising Tuan Chi-jui to assume office as Premier must have been forged. Further speculation is dangerous.

Chinese Press Comment

From the Sin Wen Pao (Shanghai)

Although the causes at the bottom of the troubles which China has experienced in recent years are very complicated, they may be described in the words "Pride and Anger." Each time there is a disturbance there are victors and vanquished. It is certain that the victors are proud and think that everything is permitted to them, and that the vanquished, pressed by conditions, become excited and use every means to create mischief. This is why one disturbance succeeds another. Because Chang Hsun has been vanquished the victors act proudly; this incites the vanquished to cause disturbance. Only the inhabitants are unhappy, they not having protection from this terror.

Japanese Opinion on the China Situation.

From the Osaka Asahi

General Tuan Chi-jui, who entered Peking triumphantly, is still unable to organize his ministry. The hesitation of Mr. Liang Chi-chao to enter the ministry seems to be the chief reason for this delay. Liang was the man behind the power of Tuan Chi-jui. If Tuan succeeds, Liang is entitled to a large share of the success. Liang is the virtual chief of the Chinputang party. The Chinputang were allied with militarists in downing President Li Yuan-hung and in downing General Chang Hsun. Why is the Chinputang hesitating to acquire

power; then? The suggestion that Feng Kuo-chang will retire from the acting presidency and Mr. Hsu Shi-chang is recommended for the presidency is a big stone thrown in a placid pool. Tuan and Feng are not friendly. Feng should have headed the movement against Chang Hsun, but he was supplanted by Tuan. It is reported that Feng did not like that. Liang, before he shook hands with Tuan, allied himself with Feng. Liang's hesitation to enter the Tuan ministry is connected with the attitude of Feng. The southern democrats are as opposed to Tuan as they were to Chang. In these circumstances can Feng make his attitude clear? Nanking, where Feng stays, is bound to become a strategic point, and Feng is liable to become mediator between the North and South in time. Feng, realizing this, may not care to co-operate with Tuan. There is no other power which can be depended upon but Japan. Feng and Liang know that. So Liang's hesitation is partly due to his doubts as to Japan's attitude toward China. Japan's attitude, therefore, will be the issue in China from now on. The Terauchi Ministry professes to maintain a policy of non-interference, but in reality it is assisting Tuan. If not directly, the Terauchi Ministry is indirectly assisting the Tuan Ministry. Should the Tuan Ministry agree to the war participation proposition, Japan will be obliged to revive the promises which she made to Tuan before as to the compensation for China's participation in the war. The Entente Powers are suspicious as to the attitude of the Terauchi Ministry toward China. America goes further and takes an attitude opposed to that of the Terauchi Ministry. Thus, the situation is very delicate. The Terauchi Ministry will be obliged to co-operate with the Entente Powers to urge on China to participate in the war. But now there is the Advisory Council on Foreign affairs. Mr. Inukai, a member of the council, is ambitious to guide the council. Mr. Inukai is opposed to coercing China to join in the war and Count Terauchi is obliged to listen to Mr. Inukai. If Mr. Inukai's views prevail, what about the relations of the Terauchi Ministry with the Entente Powers? If the views of Mr. Inukai are not taken, then it will mean that Mr. Inukai will have surrendered to the Terauchi Ministry. The Terauchi Ministry is now sandwiched between the two.

The Kuomintang Manifesto

From the Peking Daily News

Our dearly beloved friends of the Kuomintang have issued a manifesto. This is not at all surprising. At the present moment they have nothing else to do, and so they may as well occupy their time in preparing manifestoes as in anything else; it will improve their English, which apparently is in need of improvement. And what is this manifesto all about, now that it is issued? It consists of two parts. First comes a denial of the suggestion that the Kuomintang is as a party opposed to the entry of China into war against Germany. This is truly strange doctrine. Had it not been for the action of the Kuomintang China would have declared war on Germany long ago. That is simple fact. The Kuomintang let it be known that so long as Tuan Chi Jui remained in the office of Prime Minister it would not support his declared war policy. That is surely known to all who have lived in China during the past three months. All the subsequent events turn on that one fact, which cannot be explained away. The Kuo-

mingtang leaders may advance what reasons they please for the fact that China has not as yet entered the War, but the first, the prime, the only reason that can be found adequately to account for the fact is the refusal of the Kuomintang to support the Prime Minister in his war policy. A fact that cannot be explained away yet is the fact that the Kuomintang discovered some reason after it had supported the Prime Minister in severing diplomatic relations with Germany for distrusting the Prime Minister. Up to that point the Prime Minister had on the whole been trusted. The Kuomintang, the majority party in Parliament, accepted General Tuan as Prime Minister; it accepted him as Minister of the Army; it accepted many of the proposals which as Prime Minister he had from time to time placed before it. It naturally criticized; it is the function of the People's Representatives to criticize the Government; but in spite of all criticism it generally fell in with the Prime Minister's suggestions, as being those of a man who, though requiring criticism—as we all of us do, for our soul's good—was to be trusted. Then suddenly it found that he was not to be trusted. Where the distrustful spirit was first engendered it is not for us say, and we do not profess to explain the phenomenon of the sudden change of estimate: we content ourselves with calling attention to it. Whatever its leaders may say it was the Kuomintang as a party that opposed the entry of China into the war, and has hitherto been successful in its opposition.

The second part of the manifesto is taken up with a wordy expression of the political creed of the Kuomintang. If we are to believe this effusion the "political creed of the Kuomintang logically and inevitably commits the Kuomintang to support a policy which would range China with the Liberal Powers warring against Germany." The Kuomintang is opposed to autocracy of every kind, and therefore it would naturally be opposed to "Yuan's real successor, Tuan Chi Jui." The leaders of the Kuomintang must be very simple if they either believe this nonsense themselves, or expect that any body else will regard it as anything but nonsense, or believe that the majority of their party has the slightest conception of what democracy means or really believes in anything but an unbroken ricebowl. It is quite time that the leaders of the Kuomintang realized that people have long ago seen through the Kuomintang devices. The Kuomintang leaders best known to the world at large, are very young men who believe that they are too clever for anybody to dream of making tools of them; and indeed they are very clever young men, but they are very innocent, and have no experience of this wicked world. These young men who imagine that they rule the Kuomintang, are as a matter of fact ruled by the Kuomintang; and the Kuomintang as a party might well be called the Rice-bowl Party. This does not mean that there is nobody in the party with a soul above the Rice-bowl level; but it does mean that every man in the party who has a soul above the rice-bowl ought to get out of the party. The Kuomintang as a party strongly resembles the curate's egg, but the good parts that might make it palatable are very microscopic in character. One would say to the few men in the party who are worth more than pity for their misfortune in being members of such a company, and on whom, one would hope, advice would not be thrown away, "Come ye out from among them, and be ye separate." If all the members of the Kuomintang were to be judged by those members who have

attained Cabinet rank—and lost it—then the Kuomintang would be a hopeless party indeed. We believe that there are a few members of the party honest and sincere, and we strongly urge them to seek better company.

The manifesto has of course its faults. These are worthy of a few words. First of all we may note one of the principal reasons given for distrust of General Tuan is the fact that his "training and experience as a servant of the Manchu autocracy disable him from governing this country as a democratic state." The leaders of the Kuomintang know that this is nonsense. Apart from the fact that in this "democratic state" government by one man is impossible even outside the verbal paradox, the authors of this manifesto give the country a choice only between men whose training and experience have been precisely those that they condemn in General Tuan and men of no training and experience at all. The Kuomintang offers the country: Dr. Wu Ting fang, for twenty years "a servant of the Manchu autocracy" either at home or abroad; Mr. Tang Shao Yi, Secretary to Yuan Shih K'ai in Korea as long ago as 1885, trained under Yuan for a number of years, and "a servant of the Manchu autocracy" in very lucrative posts from the Boxer year, when he nearly lost his head, to a few years ago when he lost his moustache; Mr. Wen Tsung Yao, another former "servant of the Manchu autocracy," who was so autocratic in Tibet that he tried to exercise his autocracy over his chief, and had to leave Lhasa in a hurry and made, as he himself is fond of boasting, the quickest time on record between the Lama metropolis and Chengtu; and Tsen Chun Hsuan, "servant of the Manchu autocracy," who made almost the longest time on record when going to Szechuan in 1911, and never got there, and the shortest time on record back again, whose nickname we will not trouble to call to the mind of our readers, and whose servitude to the Manchu autocracy began with his appointment in 1892 as Sub-director of the Court of Imperial Entertainments. Even the recently adored idol of the Kuomintang, President Li, who is of course in no sense responsible for the vagaries of his former devotees, was once a "servant of the Manchu autocracy." As an alternative to experience and training of the kind possessed by these men, the authors of this manifesto, whose average age does not exceed the very small thirties, and whose administrative experience and training do not average a month, offer the country—themselves.

Correspondence

The Chinese Family and the Monarchy Movement.

EDITOR, MILLARD'S REVIEW:

Chinese patriots should not be too optimistic in regard to the issue of the current ephemeral monarchy movement. The failure of the monarchists has been due principally to the unpopularity of their chief and to the return of the Manchus whose political role had, in the minds of the Chinese, come to a definite end since 1911.

Sociologically speaking, the Chinese Republic will never have a sound footing until there is a complete change in the Chinese family system. In China the

family is the centre about which everything revolves and it is this system which has unconsciously contributed to the shaping of the millennial history of the country as well as many other social and political institutions—among them, the Chinese Government.

In the minds of the Chinese the government is not to be separated from the family, nor the shadow from a human body; and, as a matter of fact, the Celestial Empire has been nothing but an enlarged family. The idea that the chief of the Chinese family, generally the father, rules over the other members of the family as a true monarch—for the prerogatives and the responsibilities of both are quite identical—has given the Chinese to understand that an absolute Monarchy is the only possible form of government.

The chief of the Chinese family could in no way be despotic. Natural instinct and family interests forced him not to be otherwise than kind and benevolent. But an emperor could do the contrary! Consequently, anti-dynastic revolutions often took place in spite of the pacific nature of the Chinese.

But all these political revolutions had never exercised any social influence on the people, not even the greatest; that of 1911, did not succeed in bringing any reform into the family system in China. To say that the Chinese family of today is in its nature exactly the same as before the revolution and only slightly different from that of four thousand years ago is not too great an exaggeration!

How could the Chinese conceive that, while selfishness and absolutism remain the dominating forces in the family, abnegation and equality should rule in the government? How could the government be republican, when the family is still in the true sense of the word a real monarchy.

Verily, Mr. Jernigan was right in his "China in Law and Commerce." Whatever is conservative in Chinese character is directly traceable to family influence. And no one should be astonished to hear that the Chinese Monarchy might live again, for the Chinese family is always there to serve as a background!

SOONG TSING FONG.

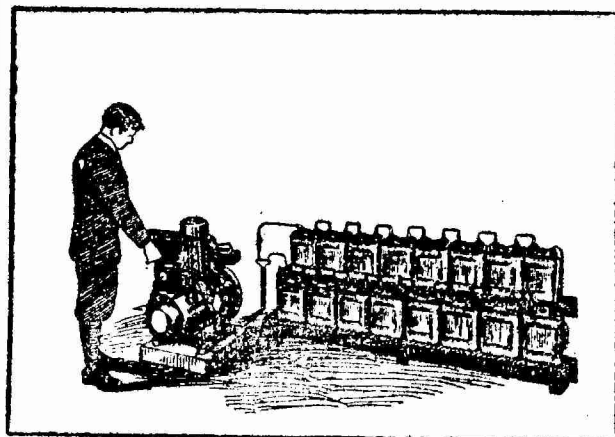
Tsing Hwa College, Peking.

Life in Kuling

Kuling is reached by way of Kiukiang and in Summer time is one of the pleasantest spots in China; Kiukiang is one of the most uncomfortable, its temperature rising as high as 115 degrees, due to its being screened from the southern breeze by the lofty wall of mountains. As a result of the Taiping rebellion, Kiukiang in 1861 was a waste of broken bricks with scarcely a single inhabitant but it soon arose again like the phoenix from its ashes. The native city and the surrounding country still show signs of the devastation of the iconoclasts, but still more signs of a restored prosperity. Hurrying through this inferno we reach the Office of the Kuling Estate and are confronted by the transport question. The typical Kuling coolie is casual, rather than keen, in accepting work, but keen as a hawk in the pursuit of wine money. That these coolies will be invited to America to form a Red Cross Transport Corps—we don't think! Yet all agree that some of them ought to be transported! So

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obstreperous have some of them become that four of their number are at present the guests of a jailor.

Having settled these questions of "filthy lucre" we are invited by a rough looking Chinese chauffeur to mount the motor-bus. Nervous persons are said to make their wills before starting, and to prefer to travel under chloroform, but there is really no need for these precautions! True a boy was bowled over yesterday, and we saw some dogs and pigs make thrilling escapes. While being whisked around the corners one remembered the question "What is the meaning of the quick and the dead?" with its apt answer "The quick are those who spring out of the way of the motor, and the dead are those who don't."

Leaving the foot-passengers to attend to the first law of nature—self-preservation—we lift our eyes unto the hills and see before us this fine range—hog back in appearance—rising to a height of nearly 5000 feet.

Arriving at Kuling we find ourselves at home! For this is surely a piece of the homeland transplanted into the heart of Central China. Here is a flourishing little colony of over 300 houses sheltering together in a concession (which is not a Concession); a Summer Hill Resort; a winter Sanatorium; a Paradise on earth. Surely the transition from Kiukiang to Kuling may be compared to that from Purgatory to Paradise, as leaving behind us the filth, the stench, and the stifling heat of Kiukiang we rise gradually into the purer, ampler air of the Delectable Mountains.

Kuling is full to overflowing and every day sees new arrivals. All of the bungalows are occupied, many are over occupied, and in several cases verandahs by day become bedrooms by night. Conditions however are not yet so extreme as in the famous case in the slums where in

one large room there was one family in each of the four corners while another family occupied the centre of the room. All went well until the central family began to take in lodgers! If the Kuling Council was a business corporation with capital at command, it would increase the accommodation in Kuling by building suites of rooms, for which there is a clamant need.

Before entering the Valley we must pass along "the Gap" or Chinese Street. How strange it is that the officials of this advanced Republic obstruct rather than assist in the development of the Estate although this settlement has brought such evident prosperity to the Chinese population. Kuling is as yet but 20 years old and until the last few years the native premises were small and flimsy structures. One notices however a steady growth in the capital spent in buildings, and the Chinese hotels, stores, and workshops of today show a marked improvement upon their predecessors. Moreover there are now

at least a dozen bungalows which have been erected for Chinese use and in this Chinese quarter.

The European settlement is divided into four sections: much the most important is the Central Valley with its small contributory valleys, then there is the Russian Valley, the undeveloped West Valley, and the Lily Valley recently acquired by the Y.M.C.A. In the main valley practically every building site is already occupied and recent houses have mostly been built in the Hykes Valley or in other out-lying locations. During the year two Japanese bungalows have been erected in the West Valley and a beginning thus made in the development of that new extension. When silver falls it is certain that more buildings will begin to rise, for Kuling is a necessity rather than a luxury to those who wish to live, rather than to die, in Central China. About ten new bungalows are added every year at an average cost of \$2800, apart from land which may be worth \$400. Excellent stone masons and carpenters abound and some of the more recent structures are admirably suited to the needs of the community.

A stroll through the valley reveals the fact that Kuling is a most cosmopolitan place and that children form half of its population. It also appears, judging by the number of house flags, that Americans may again be at the top of the census, with the British very close behind.

Russians, French, Japanese, Swedes, Norwegians, Belgians, Italians all reveal their presence by their flags, but by the order of the Chinese Government no Austrian or German is allowed to hoist his flag. Germans and Austrians are also forbidden to bring up any firearms and their baggage is all searched upon arrival.

The birth rate of Kuling is rising year by year and a dozen little strangers have already won a welcome. The death rate is happily very low and none this year has yet to be recorded. One death however of special importance (en route to Kuling) has saddened the community. The Rev. Henry Haigh, D. D., secretary of the Wesleyan Missionary Society, London arrived last week in China from South Africa. His Mission staff assembling in Kuling were plunged into much sorrow and perplexity by the fact that Dr. Haigh expired in Hankow after a sudden illness.

Kuling is dear to Cupid as one of his happiest hunting grounds. His season may be short but it is sweet. His quiver is furnished with arrows of every sort and he shoots with unerring aim. Casualties are already numerous but the victims prefer to suffer in silence and show a strange reluctance to register their names. Engagements (and coming events cast their shadows before them) are only to be expected for in what better way can young men and maidens spend their time than in making arrangements for the future?

Marriages too rejoice our hearts and our congratulations are now due to Rev. J. R. and Mrs. Wilson (nee Gardiner) of the C. M. S.

But though Kuling is conducive to engagements it is not always so to marriage. Whilst Cupid smiles, the British Consul frowns, and will not admit the validity of a marriage in Kuling. He claims that marriages may be made in Heaven ("can do") and may be solemnised here by a Bishop ("can do") but must also be registered in the British Consulate. After the Kuling ceremony surely it is an anti-climax for the newly-wed to have to descend to Kiukiang. With a rainfall such as ours it often means not only bathos but a bath! Some say that the object of the Consulate is not so much to discourage

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Magazines, Trade Papers and Catalogs intended for delivery in China should be securely wrapped and tied with a strong string. The address should of course be plainly written. Letters or packages for delivery to Chinese should always have the street address as well as the name of the city.

Under the regulations of the International Postal Agreement, the Parcels Post rate of 12 cents a pound, with a weight limit of 11 pounds applies from the United States to all the other principal ports in China with the exception of Manchuria.

matrimony, as to instil a proper sense of caution in all who would be wed, in much the same way as the general was shot "in order to encourage the others!"

In American law the virtue of the Consulate lies in the Consul but in British law the virtue seems to lie in the Consular seal, and when the Consul goes to Kuling the sacred seal must remain behind to guard the British interests during his absence!

Steadily, if not rapidly, the improvement of the Estate proceeds. Some new roads and paths are always being cut, and necessary repairs effected. Kuling to many is synonymous with Tennis, and there are now eleven public courts, in addition to the baseball ground and bathing pool. An ambitious scheme for an Auditorium has been sanctioned by the Council, but owing to the high exchange, its existence is as yet confined to paper. The ground once occupied by the C. I. M. school, which was burnt down last year, has been bought by a local doctor who hopes to erect a hospital for foreign patients. A Tuberculosis Sanatorium for Chinese has also been projected, but it appears that no suitable land has yet been granted by the Chinese Government.

The Kuling school which is run on American lines, has recently completed its first year, and is an assured success in the hands of its present staff. During the season the Summer Language School pursues the even tenor of its way to the profit of those who keep it company. But the chief interest of Kuling lies not in its language school or library; its teas or tennis; its baseball or bathing pool; its cards or chess or conjuring; its music; its millinery, or its moonlight walks; its sunsets or sales of work, its Medical Association or its educational palaver! The Church lies in the heart of the community—"which thing is an allegory." Everything seems to centre round the Church and even the Land-Renters Meeting is held within its walls. Kuling is a great clearing house for Mission matters, one vast committee room; an arena for continual debate. Enlightenment is sometimes found, and an explanation has reached us of the word 'Selah' which appears so inexplicably throughout the Psalms. It is claimed that Selah is merely a harmless explosive to which David gave vent whenever a harpstring broke!

"What shall we eat and what shall we drink" is now a vital question. There is a varied abundance of native fruits and vegetables, but the cost of foreign stores is mountainous. We who are visitors candidly confess that we are here for our health, but the few storekeepers most decidedly insist that they are not! If we continue to demur we are starved into submission by these self-appointed Food Controllers.

A Co-operative Society is needed and would be specially welcome now that silver has soared into the skies. The Council which governs the Estate, and which provides for transport, might surely run a simple store.

I entered the Public Library with the avidity of a starving mind and rejoiced that a considerable number of volumes had been added since last year. Some new-bound volumes of an American Encyclopædia attracted my attention but they contain no article upon the super-submarine for they were published in 1835! The newspapers are more modern, and the magazines are numerous and up-to-date, for amongst the number is MILLARD'S REVIEW. A good variety of British and American monthlies are in evidence, and a large supply of fiction is in daily circulation.



The American Consul-General has received from the authorities in Washington Registration Cards issued under the Selective Draft Act of Congress.

The registration of American residing abroad under the above referred to Act is voluntary, and such registration is confined to male Americans who are 21 years of age and who have not reached their 31st birthday.

Applicants for voluntary registration may apply, beginning with July 21st, 1917, at No. 18 Whangpoo Road, Shanghai, between the hours of 9 a.m. and 12 n. and between 2 and 4 p.m.

It should be understood that the foregoing is for purposes of home registration, and should not be confused with the registration called for by the local "American Census Committee" which offers opportunity for registration to all male Americans over 17 years of age.

The classifying may have been done by a humorist for under the head of Biography we find a volume "The autobiography of an atom." We can understand red cabbage being called green-grocery, but we wonder that a work upon chemistry should be treated as Biography!

During the earlier half of July the weather has been excellent, with the exception of some few rainy days. But on the 14th and 15th inst. a typhoon swept over Kuling of greater severity than any that has been known by the oldest inhabitant. The velocity of the wind was about 60 miles a hour and though my house is built upon a rock and has foundation walls which are four feet thick it trembled repeatedly before the awful blast. Some houses lost part of their roofs during this great tempest; but if an earthquake ever reaches Kuling, houses may fall like packs of cards, for all our foundation walls are built of loosely-jointed uncemented rubble.

Thanks to the energy of the American community two patriotic concerts have already been held in aid of war charities. July the Fourth was observed with great enthusiasm, France's day (July 14) was marked by a fine collection of \$271, and now all look expectantly towards August 4th when the Allies hold a great united celebration, America leading the van.

An American some months ago in preaching upon prophesy boldly claimed that Columbus was also a great world prophet. No! said a British critic, Columbus cannot have been a prophet, for if he had been a prophet he would have left America undiscovered! A capital bon mot! But it is now retired from circulation, and all agree to-day that Columbus deserves his seat amongst the prophets!

C. D. L.

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In the Field of Business and Finance

Getting Ready for Trade After the War

Whether the end of the War is near or far, the business men of the various warring nations are rapidly getting ready for activities in trade immediately upon the cessation of fighting. Various rumors have filtered out of Germany as to preparations that are being made in that country and not later than last week Dr. Michaelis, the new German Chancellor in his opening speech before the Reichstag said: "We must see that our opponents league in arms does not develop into an economic offensive alliance against us."

Although we do not know what Germany is planning in the way of recovering her great foreign trade that has disappeared, we do know that activities in other countries, now being perfected, are going to make it very difficult for Germany to "come back."

What Japan and America have done is more or less an open secret. With Great Britain, France and Germany in a death struggle and the rest of the world crying for merchandise, it was a comparatively simple matter to get into the front rank of exporting nations. Japan simply imitated the German system of subsidies and governmental help in all lines of manufacturing and financing and has been able to reap accordingly. The United States, slower to move at the start, is now in the game in full force. Manufacturing plants that have been doubled, trebled and quadrupled to supply war needs, must be kept busy after the war, so the only alternative is foreign trade. The Shipping Board was established to study shipping and provide means for a merchant marine. The Federal Reserve Banking laws provided financial means for assisting the American exporter in his campaign for foreign trade, and further legislation is pending in congress along this line.

And now Great Britain is providing facilities that she hopes will not only enable her to hold her own, but to increase her great lead of a half century ago as the world's greatest trading nation. The latest move is the establishment of the British Trade Corporation, which, apparently aims to combine the German method of extending financial assistance and advice to her nationals engaged in foreign trade, and the policy of the American International Corporation, with which every one is familiar.

The editor of the London Statist in an editorial headed the "Improvement of Trade" writes as follows:

"Germany, very little more than half a century ago, was commercially and manufacturingly a backward country. Her rulers and her most thoughtful minds persuaded themselves that there was no good reason for this. Therefore, they set themselves to work, and they surprised their competitors by the rapidity and the extent to which they succeeded. Now if we are to regain the position we occupied in the first half of the last century as the greatest manufacturing, commercial, and maritime country in the world, we must take steps somewhat of the nature of those employed by Germany...It is to be recollected that there was an insane belief in England until the middle of last century that the natural qualities of Englishman were so superior to the natural qualities of foreigners that they did not require the scientific training and the educational preparation which foreigners had recourse to. The

extraordinary rise of Germany has opened most person's eyes to the folly of this view. And now there is a very general acknowledgment that education is as essential to business as it is to other departments of life. That being so, it is to be hoped that our educational system will be overhauled and reformed, and that, especially it will be easy to find qualified commercial travelers who will be able to speak in the language of the country where they are employed to push British wares."

Then in commenting on the needs for better banking facilities, and explaining the former activities of the German Reichsbank, the editor continues:

"There are ways of overcoming the difficulty: One is an alteration of the practice of the Bank of England in regard to long credits. Another, the establishment of a great bank for foreign trade quite distinct from any bank now existing. And a third is for the government itself to give facilities in some way."

And now one of the three ways has actually come into being. The British Trade Bank is to be established; in fact, it has already been established. There was, of course, opposition from already established banks and trading companies, but these objections have been overcome in the final draft of the Trade Bank's charter. According to the Parliamentary White Paper setting forth the purposes and activities of the Bank, the declaration is as follows:

"The British Trade Corporation hereby declares that it has sought and accepted the charter on the footing that according to the true intent and meaning of the charter the following are provisions thereof, namely:—

"That the fundamental object for which the charter has been granted is the giving of financial assistance to British traders and manufacturers, especially in connection with overseas trade, and that the Corporation is under an obligation to give full effect to such object, and will be accessible to the business public for the purpose of consultation and otherwise; that the Corporation is not intended to be, nor will it operate as, a competing contractor, merchant, or trader, and that its enterprises shall be directed to the furtherance of its aforesaid fundamental object; that the powers and privileges given to the Corporation by the charter are intended to be and are the machinery by which the Corporation will effectuate its said fundamental object, and will be exercised for the purpose, as a means of, and with a view to the carrying out or furtherance of the same, or so as to enable the Corporation to deal with situations arising by reason or in consequence of such carrying and or furtherance, and that nothing in the charter has the effect of conferring any exclusive privilege on the Corporation as regards access to Government information or of placing it in any preferential position as regards the representation of British trade or finance, or of conferring upon it the right of acting as Agent of the Government except upon appointment in each case or of excluding the Government from selecting other agents in cases in which they see reason for so doing."

That the final draft of the charter received the full approval of British manufacturers generally is shown by the following from the London Times of June 15:

"At a meeting of the Council of the Association of Chambers of Commerce of the United Kingdom held in London yesterday a resolution was passed expressing

appreciation of the steps taken by the Government towards the formation of a British Trade Corporation. The Council considered a financial institution of that nature would be in the highest degree calculated to further the interests of the British manufacturer and trader, and they regretted that the criticism to which the scheme was subjected in the House of Commons resulted in the temporary withdrawal of the Board of Trade vote for the purpose.

"They added that the scheme in its general outline always and still had the support of the Chambers of Commerce of the United Kingdom. The Council, which represents 35,000 manufacturers and traders, adopted the resolution unanimously."

In commenting on the inability of established banks to supply the necessary facilities for the promotion of foreign trade, Mr. Hartley Withers, Editor of the Economist, (London) outlines pretty fully what the new bank hopes to accomplish:

"(1) Partly by raising more capital of its own, and working less with other people's deposits than our big English banks, and consequently being less restricted than they are by the necessity for keeping its funds liquid; (2) partly by establishing an information bureau for the study of new enterprises and for organising knowledge of the standing and position of foreigners with whom its customers might want to have business relations; (3) partly by establishing branches overseas in countries where English banking is not yet represented, and (4) partly by acting as an honest company promoter, nursing new enterprises through their infant maladies, issuing them to the public in reasonable terms and taking an interest in their later careers, and watching over the interests of the shareholders who had subscribed to the securities offered in order to supply their capital."

\$10,000,000,000 Wasted in America Yearly

The campaigns against waste that have been conducted so effectively in all of the warring European nations are now starting in the United States. An expert who has made a study of the subject estimates that waste in the United States resulting from indifference, inefficiency, and carelessness amounts to the colossal total of Gold \$10,000,000,000 annually. He adds: "This is enough to pay England's war expenses for nearly five hundred days, or almost enough to foot the French war bill for approximately 1,000 days. No other country than the United States could suffer such losses and escape bankruptcy."

The same expert itemizes some of the places where waste is greatest: Farmers allow \$100,000,000 worth of farm machinery to rust and decay each year; decay of property in cities is estimated at \$2,500,000,000 yearly; the American public consumes approximately \$1,500,000,000 worth of intoxicating liquors which is all waste; care of helpless and needy families, expenses of courts, hospitals, jails and other institutions due to "booze" estimated at \$2,500,000,000 annually; American people waste on account of careless marketing and cooking more than \$2,000,000,000 each year; more than \$1,000,000,000 lost because of sickness and accidents that might be prevented; wage loss due to preventable accidents in industrial work, \$500,000,000; and doctor's and nurses bills resulting from the foregoing, amount to \$200,000,000 yearly; farmers lose yearly about \$200,000,000 on account of animal diseases that are largely preventable; losses to crops and

stock due to insect pests such as boll weevil, cattle tick, etc: \$1,200,000,000 annually; rats and mice destroy approximately \$200,000,000 worth of property; sparrows and other harmful birds destroy \$100,000,000 each year; poor roads annually take from the farmers in decreased value to farms about \$300,000,000; families lose \$200,000,000 annually through failing to realize from the sale of materials from the trash pile to the junk dealer.

Foreign War Loans

GREAT BRITAIN.

Date.	Interest.	Amount.
First (November, 1914).....	3½ %	\$1,075,000,000
Second (July, 1915).....	4½ %	3,590,000,000
Third (1916-17).....	5 %	5,800,000,000

FRANCE.

First (December, 1915).....	5 %	\$2,356,000,000
Second (October, 1916).....	5 %	1,990,000,000

RUSSIA.

First (October, 1914).....	5 %	\$257,500,000
Second (February, 1915).....	5 %	257,500,000
Third (May, 1915).....	5½ %	515,500,000
Fourth (November, 1915).....	5½ %	515,500,000
Fifth (April, 1916).....	5½ %	1,030,000,000

ITALY.

First (July, 1915).....	4½ %	\$119,200,000
Second (January, 1916).....	5 %	568,000,000

GERMANY.

First (September, 1914).....	5 %	\$827,520,000
Second (March, 1915).....	5 %	1,994,400,000
Third (September, 1915).....	5 %	2,918,400,000
Fourth (March, 1916).....	5 %	2,185,200,000
Fifth (October, 1916).....	5 %	2,556,414,000

AUSTRIA.

First (November, 1914).....	5½ %	\$427,060,000
Second (May, 1915).....	5½ %	532,000,000
Third (November, 1915).....	5½ %	814,000,000
Fourth (May, 1916).....	5½ %	888,480,000
Fifth (November, 1916).....	5½ %	750,000,000

HUNGARY.

First (November, 1914).....	6 %	\$234,000,000
Second (May, 1915).....	5½ %	224,000,000
Third (October, 1915).....	5½ %	240,000,000
Fourth (May, 1916).....	5½ %	300,000,000
Fifth (November, 1916).....	5½ %	280,000,000

America's Huge Export Gains

TOTAL EXPORTS

FROM U. S. A.

Year ended	
June 30:	
1877...	\$602,475,220
1878...	694,865,766
1879...	710,429,441
1880...	835,638,658
1881...	902,377,346
1882...	750,542,257
1883...	823,739,402
1884...	740,513,609
1885...	742,189,755
1886...	679,524,830
1887...	716,183,221
1888...	695,954,507
1889...	742,401,375

EXPORTS OF MANU-

FACTURES ONLY.

Year ended	
June 30:	
1877...	\$144,186,602
1878...	139,126,450
1879...	133,423,501
1880...	121,818,298
1881...	135,279,162
1882...	161,990,185
1883...	160,444,647
1884...	155,973,319
1885...	150,256,178
1886...	145,665,027
1887...	149,150,329
1888...	154,568,712
1889...	165,896,815

1890...	857,828,684	1890...	178,982,042
1891...	844,480,810	1891...	188,311,113
1892...	1,030,278,148	1892...	183,076,682
1893...	847,665,194	1893...	179,008,987
1894...	892,140,572	1894...	202,804,463
1895...	807,538,165	1895...	205,863,675
1896...	882,606,938	1896...	258,008,885
1897...	1,050,993,556	1897...	311,243,365
1898...	1,231,482,330	1898...	324,527,921
1899...	1,227,023,302	1899...	380,386,843
1900...	1,394,483,082	1900...	485,022,156
1901...	1,487,764,991	1901...	466,096,202
1902...	1,381,719,401	1902...	454,151,954
1903...	1,420,141,679	1903...	468,135,493
1904...	1,460,827,271	1904...	523,611,460
1905...	1,518,561,666	1905...	611,975,972
1906...	1,743,864,500	1906...	686,023,168
1907...	1,880,851,078	1907...	740,123,451
1908...	1,860,773,346	1908...	750,575,841
1909...	1,663,011,104	1909...	671,416,014
1910...	1,744,984,720	1910...	766,981,245
1911...	2,049,320,199	1911...	907,519,841
1912...	2,204,322,409	1912...	1,020,417,687
1913...	2,465,884,149	1913...	1,185,114,309
1914...	2,364,579,148	1914...	1,099,132,210
1915...	2,768,589,340	1915...	1,163,327,840
1916...	4,333,482,885	1916...	2,658,917,330
1917...	6,120,000,000	1917...	4,200,000,090

Commercial and Financial Notes

The Gold \$16,800,000 of six months' discount notes dated December 16, 1916 and sold by the Argentine Republic to a group of New York financiers headed by J. P. Morgan and Company, were paid off on June 15, 1916.

What profits American ships are now making is indicated by a newspaper despatch stating that the four-masted schooner *Nancy Hanks*, recently built at Thomaston, Maine, at a cost of \$110,000, and sold while on the ways for \$150,000, has been chartered for \$225,000 for her first voyage.

The Canadian Pacific Railway Company has advanced Gold \$10,000,000 for the production of war materials in Canada. The loan was made to the Imperial Munitions Board which is intrusted by the British government with the duty of placing munition orders in Canada and arranging for expeditious production.

At the annual meeting of the Bukit Toh Alang Rubber Estates, Ltd. June 24, a proposal to issue debentures in connection with the new land purchase scheme was brought forward by the chairman, Mr. N. G. Maitland, but withdrawn, after listening to remarks opposing the idea made by Messrs. Jackson and Grayrigge.

The Webb Bill designed to promote export trade by legalizing joint foreign trading agencies of American exporters, was passed by the House on June 13 by a vote of 240 to 39. The senate has still to act on the bill. Sponsors of the bill say its enactment would enable American exporters to fortify themselves for after-the-war competition.

The main cause for the partial paralysis of the Trans-Siberian Railway and the fearful accumulation of cargo at Vladivostock is said to be that freight cars have been abandoned on side tracks with the claim

that the power and number of available engines was not sufficient. Trains departing from Vladivostock do not return to that port before at least three months.

According to a circular issued by the American Consulate at Shanghai, beginning with July 15, 1917, the following commodities are not to be exported from the United States except by virtue of a license obtained from the Department of Commerce or one of its branches throughout the United States (not to the consulates in China): Coal, coke, fuel oils, kerosene, gasoline, benzine, foods, grains, flour, meal, meats, fats, fodder, feeds, pig-iron, steel, billets, ship-plates, structural shapes, scrap iron, scrap steel, ferro-manganese, fertilizers, arms, ammunition, explosives. Applications for license to export should contain the quantity and description of the goods sought to be exported, together with the names of the consignor and consignee.

Further effects of the virtual withdrawal of American financial houses from the Canadian bond market, owing to the demands of the Liberty loan, were seen in Montreal during the latter part of June in connection with the call for tenders on Montreal and Winnipeg bonds. Montreal asked for bids on \$1,400,000 twenty year 5 per cents, and the Greater Winnipeg Water District for bids on \$2,000,000 five year 5 per cents., the time for receipt of tenders expiring in both cases June 20. No bids were received in either instance. Under ordinary circumstances these bonds would have a good market in the United States.

The Local Government Board's inquiry into anthrax cases made in London last month, shows that practically all the infected shaving brushes traced were found to have come from one factory. The inquiry showed that hair used in making these brushes consisted in great part of Chinese horsehair, which was not disinfected. The remaining hair from the same source which had not been made into brushes was found to be infected. The manufacturer explained that the hair was invoiced to him as goat's hair. A consignment of shaving brushes from Japan was found to be heavily infected with anthrax.

That San Francisco will fall heir, for the time being at least, to much of the shipping that hitherto has been going to London, Hamburg and Rotterdam is the belief of Mr. J. P. Eyre, managing director of the London office of W. R. Grace and Company of San Francisco who is now on an extensive business trip through the Far East. He will visit Japan, China, India, Straits Settlements and Java. Mr. Eyre is accompanied by Mr. R. W. Lenkeit, of the New York office; Mr. W. T. O'Brien, who is bound for Calcutta where he will open an office for the firm; and Mr. S. A. Hill, a tea expert. In a statement made by Mr. Eyre in San Francisco, before he sailed for the Orient, he said: "Restrictions enforced on England by shortage of tonnage, etc., have for the time being ceased to make London the center of many businesses. Therefore we move to new markets and as a result, San Francisco comes into her own. Formerly many of the Far Eastern products—tea, for instance—were shipped from India to San Francisco by the very circuitous route of London, Hamburg, or Rotterdam, and eventually found their way to New York. Here they were once again re-distributed for America. We believe in getting things direct, and now that the trade between the Pacific Coast and the Orient is being developed, we want to follow the trade in its natural channels."

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The Share Market.

RUBBERS Official only	Closing Quotations, Week End, July 20	Last Quo- tation, Fri. July 27	Business Done in Shares During Week		
			High	Low	Net Chg
Anglo Javas...	9 60	9.75	9 ³ / ₄	9 ³ / ₄	—
Ayer Tawah...	37	34	34	34	—
Bukit...	4 ¹ / ₄	4	4	4	—
Consolidated...	2 ³ / ₄	2 ³ / ₄	2 ³ / ₄	2 ³ / ₄	—
Dominion...	11	10 ¹ / ₂	10 ¹ / ₂	10 ¹ / ₂	—
Gula...	7 ¹ / ₂	7.10	7.10	7.10	—
Java Consolidated...	19 ¹ / ₂	20	20	19 ¹ / ₂	+ ¹ / ₂
Kota Bahreo...	7 ¹ / ₂	7.80	7.80	7.50	+ 0.30
Saniagaga...	95	.95	.95	.95	—
Shai Klebang...	.80	.80	.80	.80	—
Shai Pahang...	1.80	1 ³ / ₄	1 ³ / ₄	1 ³ / ₄	—
Sua Manggis...	5.80	5 ³ / ₄	5 ³ / ₄	5 ³ / ₄	—
Tanah Merah...	1	1.07 ¹ / ₂	1.07 ¹ / ₂	1.07 ¹ / ₂	—
Tebong...	19 ¹ / ₂	20	20	20	—

BANKS, INDUSTRIALS, INS. COTTONS, LANDS, ETC.

Lankat...	15 ¹ / ₂	15 ¹ / ₂	15 ¹ / ₂	15	+ ¹ / ₄
Ewo Cotton...	155	160	160	160	—
Kung yik...	14.65	15 ³ / ₄	15 ³ / ₄	15	+ ³ / ₄
Shanghai Cotton...	124	135	135	126 ¹ / ₂	+ ¹ / ₂
Oriental Cotton...	37	39 ¹ / ₂	39 ¹ / ₂	39	+ ¹ / ₂
Shanghai Tug...	16	16	16	16	—
New Eng. & S. B. wks.	12 ³ / ₄	12 ³ / ₄	12 ³ / ₄	12 ³ / ₄	—
Shanghai Lands...	80	80 ¹ / ₂	80 ¹ / ₂	80 ¹ / ₂	—
Anglo French Lands...	84 ¹ / ₂	84	84	84	—

EXCHANGE

Bar Silver...	40 ³ / ₈	39 ³ / ₈	39 ¹ / ₈	39 ³ / ₈	—
T. T. on London...	3/10	3/10 ¹ / ₂	3/10 ¹ / ₂	3/9 ³ / ₈	—
Sov. Bnk. Buy. Rt.	5.24	5.24	5.27	4.21	—
Gold & Bnk. Buy. Rt.	1.08	1.08	1.08	1.08	—
Mexican...	72.1	72.1	72.1	72.1	—
Native Int.	10 05	.05	18.9	.03	—

LONDON RUBBER QUOTATIONS

Spot...	2/7	2/6 ¹ / ₂	2/7 ³ / ₄	2/6 ¹ / ₂	— 0/1 ¹ / ₂
Forward...	2/9	2/7 ¹ / ₂	2/9	2/7 ¹ / ₂	— 0/1 ¹ / ₂
Tendency...	Firm	Weak			Firm to Weak

Date	Langkat Oil Output	Tons.
July 20		78
" 21		76
" 22		74
" 24		73
" 25		75

CLOSING OF TRANSFER BOOKS & DIVIDENDS.

Share	Period	Dividend
Docks...	19 July 27 July	Tls. 9.
H. & S. Banks...	Payable 13/8	£2.3 less income tax
Pengkalan...	25 July 30 July	Tls. 1.02128

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New Books and Publications

The Cost of Peace

An Inquiry Into the Nature of Peace and the Terms of Its Perpetuation, by Thorstein Veblen. New York: The Macmillan Co. U. S. \$2.00.

COMPARATIVELY few people know the work of Thorstein Veblen. Some thousands have read his best-known book, the brilliant, drastic *Theory of the Leisure Class*; but only a few hundred have read his *Theory of Business Enterprise*, his *Instinct of Workmanship* and his *Imperial Germany*. So little is he known that a pretentious man the other day met my mention of *The Nature of Peace* by saying, "Ah, of course, a new translation." He did not know that Thorstein Veblen was an American, was graduated from an American university, in the 'eighties, and has been teaching in American universities ever since. Mr. Veblen is an American writer but the kind of American writer whose merit is rather more clearly recognised abroad than at home, an American who ought to have been a foreigner to be appreciated in America.

To read Mr. Veblen is not and cannot be an entertainment. There is a kind of fashionable lady who knows precisely when a literary Paquin has ceased to be the thing, and who twitters as unfailingly as any bird at the first breath of another master's dawn. For all this turn for novelty, few ladies have twittered much or are ever going to twitter much about Mr. Veblen's performance. He is too difficult to understand. It is hard intellectual labor to read any of his books, and to skim him is impossible. He is not a luxurious valley of easy reading, a philosophic Tennyson. He is a mountain—stubborn, forbidding, purgatorial. There is no funicular to bring him under subjection of the indolent, and sometimes there is barely a foothold even for the hardy amid the tortuosities of his style. But the reward for those who do persist in reading him is commensurate with the effort. No mountain pierces to heaven, not even Mr. Veblen's, but the area that he unrolls is strategically chosen and significantly inclusive. Part of the reward of reading him may be like the reward of mountain-climbing itself, the value of tough exercise for its own sake, but unless Mr. Veblen created the conviction that his large purposes did reasonably necessitate intricate and laborious processes of thought and that such processes had to be followed in detail in order that his argument might be mastered, no one would be quite satisfied to take the paths he exacts. The greatest justification of such pains is the final sense conveyed by him that he has had a singular contribution to make, and has made it with complete regard to the formidable requirements of responsible unconventional utterance.

The responsible unconventionality of Mr. Veblen has never been better exemplified than in this new book of his, finished February, 1917, on the nature of peace. It is, so far as I know, the most momentous work in English on the encompassment of lasting peace. There are many books that aim to give geographic domicile to the kind of tinkered peace that is likely to come out of this war, but I know of no book that gives so plain and positive account of the terms "on which peace at large may be hopefully installed and maintained," and I know of no discussion so searching as to "what if anything there is in the present situation that visibly makes for a

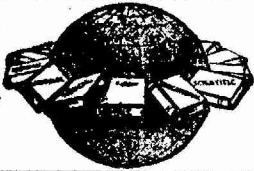
realization of these necessary terms within a calculable future." Those who are acquainted with Mr. Veblen's work are aware of the ironic inscrutability of his manner, the detachment that is at once an evidence of his impartiality and an intimation of his corrosive scepticism. It can no longer be said, with *The Nature of Peace* under examination, that either impartiality or scepticism induces Mr. Veblen to withhold his preference, to conceal his bias, in the present contingency. That bias, however, does not lead him into any of the current patriotic extravagances. If critical acid can corrode the patriotic conceptions of "democracy" and "liberty" that are now so familiar, Mr. Veblen makes no attempt to keep such fancies from being eaten into. What is left, however, is sufficiently substantial to give him the issue that abides in the war, and its bearing on peace, and it provides him with his clue to the great eventuality, "the consequences presumably due to follow."

It would be wrong in any review of Mr. Veblen to give a mere bald outline of the work that is so full of his manifold mind. There are so many "patent imbecilities" (like the protective tariff), so many current egregious practices (like business men's sabotage), that receive characteristic illumination in transit, the bare colorless statement of his conclusions would completely leave out the poignancy that accumulates as he proceeds. His conclusions are, on the other hand, impressive enough to indicate the importance of the argument back of them, and if only for their suggestion of the massive argument they need to be reported. Defeat for the German-Imperial coalition, not victory for the Entente belligerents, is the first step toward lasting peace that he recognizes, because of the decisive difference "between those people whose patriotic affections center about the fortunes of an impersonal commonwealth and those in whom is superadded a fervent aspiration for dynastic ascendancy." Peace on terms of Germany's unconditional surrender is not discussed by Mr. Veblen on the basis of likelihood but on the basis of its desirability in relation to the chances for peace, and the unlikelihood of lasting peace in its absence. But this is not the ordinary orgiastic contemplation of an enemy destroyed. The elements in Germany that conspire against lasting peace are carefully computed, and the terms of their disintegration discussed in every detail. It is by no means forgotten that if the victorious side is not "shorn over the comb of neutralization and democracy" there can in any event be no prospect of perpetuating peace.

The present unfitness of Germany (or Japan) for lasting peace is ascribed by Mr. Veblen to the essential dynastic need for warlike enterprise, but he has no hesitation whatever in declaring in regard to the Allied Powers that peace in general demands the "relinquishment of all those undemocratic institutional survivals out of which international grievances are wont to arise." This is not the customary emphasis of goodwill-pacifists. They are fain to propose peace on the present basis of "national jealousies and discriminations" and what Mr. Veblen in his highly personal jargon calls "discrepancies." Mr. Veblen alludes to the League to Enforce Peace as a movement for the "collusive safeguarding of national discrepancies by force of arms." This toleration of existing national-

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Recent despatches from France tell of the serious injury to Corpl James Norman Hall of the Lafayette Escadrille, who piloted his machine to earth safely, while shot though the lung by a German airman.

When "Jimmy" Hall graduated from Grinnell College, Iowa, he joined Kitchener's first army. His book, "Kitchener's Mob," first published serially in the Atlantic Monthly, is one of the great books of the war, written from the trenches and describing, with remarkable vividness and penetration, the searing effects, the psychology of a charge under fire. It is strange that more people in the Far East have not heard of this work. And now its author, who went back as an aviator, is attracting attention the world over for his gallantry under fire.

A list of the greatest books and magazines of the war would include:—Wells' "Mr. Britling"; Capt. Ian Hay's "First Hundred Thousand"; Hall's "Kitchener's Mob"; "Le Feu" and the Atlantic Monthly.

"Keeping Up with Your Motor Car" is rather a suggestive title to the irrepressible humorist. Yet this 1917 title by Frederick A. Collins of the Aero

Club of America is full of practical and valuable hints from the purchaser and owner. It is an excellent handbook.

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A library of authoritative works on China would not fail to include:—Morse's "Trade and Administration of China"; Hornbeck's "Contemporary Politics in the Far East"; Millard's "Our Eastern Question" and Gowen's "Outline History of China."

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isms Mr. Veblen plainly regards as an insuperable obstacle to peace. He exposes in every detail the predisposition to war that inheres in nationalisms. "What the peace-makers might logically be expected to concern themselves about would be the elimination of these discrepancies that make for embroilment."

The military defeat of Germany seems to the author a requisite step on the direct path to peace. This is only because Germany is dynastic, however, and the German people subservient to the dynasty. One of the issues most thoroughly debated by Mr. Veblen is the pregnant issue of German democratization, and while he lays great stress on the necessity for military defeat as a first requirement of democratization he does not believe the disintegrating of Germany's dynastic "second nature" is of so hopeless a character as its historic persistence might imply. There is no complacency in the attitude that leads him to regard imperial Germany (or imperial Japan) as a stumbling-block in the road to lasting peace. It is an attitude founded on a strict and even solicitous estimate of the patent German and Japanese aims. And in so far as a peace policy involves treatment of the German people Mr. Veblen is quite certain that no trade discrimination against them, necessarily bound to recoil on the common people, would be pacifically effective or justifiable. The persecution of the German common people could take no form that would conceivably advance the cause of peace, and Mr. Veblen is careful to dissociate his belief that Germany should be beaten from the belief that the people of Germany should be made to suffer for their differentiation after the war.

Where The Nature of Peace seems to me to rise far and away above the current discussions of supernationalism is in its comparative freedom from unanalyzed conceptions. There is nothing sacred to Mr. Veblen in the conception of patriotism, of property, of success, of manliness, of good breeding, of national honor, of prestige. The notion of non-resistance has no terrors for him—he writes a chapter on its merits.

The notion that a lasting peace is compatible with the established patriotic order of things, with the status of the gentleman in England or the business man in the United States, is not entertained for one moment by Mr. Veblen, and regardless of the "maggoty conceit of national domination" which demands "the virtual erasure of the Imperial dynasty," he sees an impediment to peace in the dear establishments of "upperclass and pecuniary control" in the allied commonwealths. Chief and foremost in the pacific arrangement must come "a considerable degree of neutralization, extending to virtually all national interests and pretensions, but more particularly to all material and commercial interests of the federated peoples; and, indispensable and especially, such neutralization would have to extend to the nations from whom aggression is now apprehended, as, e.g., the German people." All manner of trade discrimination has to be abolished "import, export and excise tariff, harbor and registry dues, subsidy, patent right, copyright, trade mark, tax exemption whether partial or exclusive, investment preferences at home and abroad." Besides this prescription for "the elimination of discrepancies that make for embroilment," a neutralization of citizenship is also indicated, the common man standing to lose nothing by these revisions. But Mr. Veblen is frank to say that "this prospect of consequences" points to a general revolution. It has appeared in the course of the argument that the preservation of the present pecuniary law and order, with all its incidents of ownership and investment, is incompatible with an unwarlike state of peace and security. This current scheme of investment, business, and sabotage, should have an appreciably better chance of survival in the long run if the present conditions of warlike preparation and national insecurity were maintained, or if the projected peace were left in a somewhat problematical state, sufficiently precarious to keep national animosities alert, and thereby to the neglect of domestic interests, particularly of such interests as touch the popular well-being. On the other hand, it has also appeared that the cause of peace and its perpetuation might be materially advanced if precautions were taken beforehand to put out of the way as much as may be of those discrepancies of interest and sentiment between nations and between classes which make for dissension and eventual hostilities."

The weight of these phrases it is not easy to catch in passing, but nothing more significant has been written since the outbreak of the war. One has only to go back to The Theory of Business Enterprise, published in 1903, to learn how Mr. Veblen foresaw this war, and America's participation in it. The same rigor of intellectual standard that gave him a command of the situation at that time is discernible in this present volume, and gives him dominance now. Such severity of mind as Mr. Veblen exhibits is not likely to win him many readers, despite its Brahms-like quality, but the recommendation of Mr. Veblen is not merely the recommendation of a great philosopher of industrialism. It is not his relentless logic alone that elevates him. It is the democratic bias which The Nature of Peace indicates.

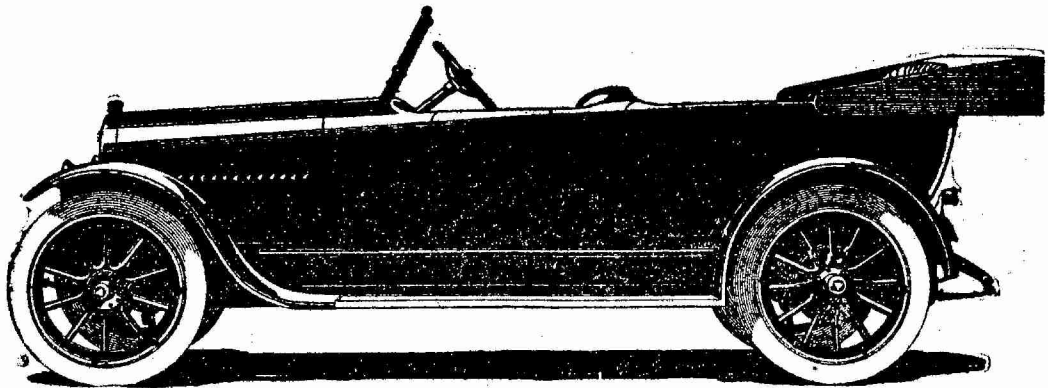
F. H.

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